

PROSPECTUS

La Française Trésorerie ISR

Mutual Fund

1. General features

1.1 Legal form of the UCITS

Name:

La Française Trésorerie ISR

Legal form and Member State in which the UCITS has been incorporated:

Fonds Commun de Placement (mutual fund) under French law

Launch date and scheduled duration:

07/02/2003 - 99 years

Date of approval by the Financial Markets Authority:

21/01/2003

Summary of management offer:

Type of unit	ISIN code	Original net asset value	Sub-funds	Allocation of income	Allocation of gains	Denomination currency	Target subscribers	Minimum value of initial subscription
B units	FR0011361229	EUR 100	No	Capitalisation	Capitalisation	EUR	All subscribers, including investors subscribing via distributors providing a non-independent advisory service within the meaning of MiFID II or Reception and Transmission of Orders (RTO) with services, more particularly investors from Benelux and CMNE clients	EUR 100
E units	FR0011006360	EUR 100,000	No	Capitalisation	Capitalisation	EUR	All subscribers, and more particularly intended for foreign professional clients within the meaning of the Markets in Financial Instruments Directive (MiFID)	EUR 500,000
I units	FR0010609115	EUR 100,000	No	Capitalisation	Capitalisation	EUR	Reserved for professional clients within the meaning of MiFID	EUR 500,000
R units	FR0000991390	EUR 70,000	No	Capitalisation	Capitalisation	EUR	All subscribers, including investors subscribing via distributors providing a non-independent advisory service within the meaning of MiFID II or Reception and Transmission of Orders (RTO) with services	EUR 100
T C units	FR0013289022	EUR 100	No	Capitalisation	Capitalisation	EUR	All subscribers without payment of retrocession fees to distributors	None

"H" units are systematically hedged against exchange risk for the reference currency of the fund. There may, however, be a residual currency exchange risk due to imperfect hedging.

The minimum initial subscription value does not apply to the management company or entities in the La Française Group.

Location where the latest annual report and the latest interim report may be obtained:

The latest annual reports and the composition of assets will be sent within eight working days, upon written request by the unitholder to:

CREDIT MUTUEL ASSET MANAGEMENT

128, boulevard Raspail – 75006 PARIS.

A public limited company approved by the Commission des Opérations de Bourse (now the Autorité des Marchés Financiers) under no. GP 97-138.

Tel.: +33 (0) 1 44 56 10 00

E-mail: contact-valeursmobilières@la-française.com

For further information, please contact the Marketing department of the management company via the following e-mail address: contact-valeursmobilières@la-française.com.

1.2 Stakeholders

Management company:

CREDIT MUTUEL ASSET MANAGEMENT

A public limited company approved by the Commission des Opérations de Bourse (now the Autorité des Marchés Financiers) under no. GP 97-138.

Registered office: 128, boulevard Raspail – 75006 PARIS.

Depositary and registrar:

Identity of the UCITS Depositary

The Depositary of the UCITS is BNP Paribas S.A., located at 9 rue du Débarcadère, 93500 PANTIN (the "Depositary"). BNP Paribas S.A., registered in the Trade and Companies Register under number 662 042 449, is an institution approved by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and regulated by the French Financial Markets Authority (Autorité des Marchés Financiers – AMF), whose registered office is located at 16, Boulevard des Italiens, 75009 Paris, France.

Description of the responsibilities of the Depositary and potential conflicts of interest

The Depositary carries out three types of responsibilities: checking the legality of the decisions of the management company (as defined in Article 22(3) of the UCITS V Directive), monitoring the UCITS cash flow (as defined in Article 22(4)) and holding UCITS assets (as defined in Article 22(5)).

The main objective of the Depositary is to protect the interests of unitholders/investors in the UCITS. This will always take precedence over commercial interests.

Potential conflicts of interest may be identified, especially in the case where the Management Company has a commercial relationship with BNP Paribas S.A. alongside its appointment as Depositary (which may be the case where BNP Paribas S.A., by delegation from the Management Company, calculates the net asset value of the UCITS while BNP Paribas S.A. is the Depositary or where a group connection exists between the Management Company and the Depositary).

In order to manage situations such as this, the Depositary has implemented and regularly updates a conflict of interest management policy, with the aim of:

- identifying and analysing potential conflicts of interest;
- recording, managing and monitoring conflicts of interest:
 - o based on the permanent measures put in place in order to manage conflicts of interest, such as the distribution of tasks, the separation of hierarchical and operational lines, the monitoring of internal lists of insiders and dedicated IT environments;
 - o On a case-by-case basis:
 - by implementing appropriate preventive measures such as the creation of an ad hoc monitoring list and new Chinese walls, or by verifying that transactions are properly processed and/or by keeping the relevant clients informed,
 - or by refusing to manage activities which could lead to conflicts of interest.

Description of any safekeeping functions delegated by the Depositary, list of delegates and sub-delegates and identification of conflicts of interest likely to result in such a delegation.

The Depositary of the UCITS, BNP Paribas S.A., is responsible for safeguarding the assets (as defined in Article 22(5) of the Directive 2009/65/EC amended by Directive 2014/91/UE). In order to offer services related to the custody of assets in a large number of countries, allowing the UCITS to achieve their investment objectives, BNP Paribas S.A. has appointed sub-depositaries in the countries where BNP Paribas S.A. has not established a local presence. These entities are listed on the following website:

<http://securities.bnpparibas.com/solutions/asset-fund-services/depositary-bank-and-trustee-serv.html>

The appointment and monitoring process for sub-depositaries adheres to the highest quality standards, including the management of potential conflicts of interest which may arise as a result of these appointments.

Up-to-date information relating to the abovementioned points will be sent to the investor upon request.

Statutory auditor:

DELOITTE et Associés

6 place de la Pyramide 92908 Paris-La Défense cedex

Represented by Ms Virginie GAITTE

Marketers:

LA FRANÇAISE AM FINANCE SERVICES

Customer relations department

128, boulevard Raspail – 75006 PARIS

CMNE

4 place Richebé 59800 LILLE

Delegated entities:

Appointed account manager:

BNP PARIBAS S.A.,

Whose registered office is 16 Boulevard des Italiens 75009 Paris

With its postal address at Grands Moulins de Pantin, 9 rue du Débarcadère, 93500 Pantin

Advisors:

None

Centralising agent:

CREDIT MUTUEL ASSET MANAGEMENT

A public limited company approved by the Commission des Opérations de Bourse (now the Autorité des Marchés Financiers) under no. GP 97-138.

Registered office: 128, boulevard Raspail – 75006 PARIS.

Institution responsible for the receipt of subscription and redemption orders:

- for bearer units to be registered or registered with Euroclear:

LA FRANÇAISE AM FINANCE SERVICES

Customer relations department

128, boulevard Raspail – 75006 PARIS

- for registered units yet be listed or already listed in the IZNES Shared Electronic Registration System (DEEP):

IZNES

Service Operations

20-22, rue Vernier – 75017 PARIS

2. Terms of operation and management

2.1 General features

Unit features:

- Nature of right attached to each unit category: each unitholder has a right of co-ownership to the fund assets in proportion to the number of units held.
- Holding of liabilities: the functions of centralising subscription and redemption orders are carried out by LA FRANCAISE AM FINANCE SERVICES for units to be registered or already registered in bearer form within EUROCLEAR and by IZNES for units to be registered or already registered in pure registered form within the IZNES Shared Electronic Registration System (DEEP); the account issuing the units is held by BNP PARIBAS. These tasks are carried out by delegation from the management company.
- Bearer units listed with EUROCLEAR France: **R, B, E, TC, I units**
- Registered units administered within IZNES DEEP: **I, R units**
- Voting rights: the units do not carry any voting rights; decisions are taken by the management company.
- Form of the units: FCP units are bearer listed with Euroclear or registered in IZNES DEEP.
- Decimalisation: each unit can be divided into one hundred thousandths of a unit (R, I and TC units), ten thousandths of a unit (B unit), thousandths of a unit (E unit).

Closing date:

- End of accounting period: last trading day in September
- End of the first financial year: 30 September 2003

Tax system:

Please note: Depending on your tax system, any capital gains and income associated with holding units in the UCITS could be subject to taxation. If the unitholder is uncertain about their tax situation, they should consult the UCITS marketer or their financial adviser for more information.

2.2 Specific provisions

ISIN code:

B units	FR0011361229
E units	FR0011006360
I units	FR0010609115
R units	FR0000991390
T C units	FR0013289022

Classification:

standard money market fund with variable net asset value (VNAV)

MMF approval date: 01/02/2019

Management objective:

The UCITS's management objective is to seek market opportunities on short-term maturities with the aim of delivering a performance equal to the capitalised €STR, after the deduction of costs.

In the event of very low money market interest rates, the yield generated by the UCITS could be negative.

This UCITS is managed using a qualitative extra-financial filter in accordance with the policy implemented by Crédit Mutuel Asset Management and in compliance with the requirements of the French SRI label, using an ESG integration and selectivity approach to management.

Benchmark index:

The benchmark index representative of the management strategy is the €STR capitalised.

Euro short-term rate: euro short-term rate which reflects the overnight euro unsecured borrowing costs for banks in the eurozone. The rate is published by the ECB at 8am (Central European Time) every opening day of TARGET 2.

Bloomberg code of reference: ESTCINDEX Index

Index administrator: The European Central Bank benefits from the exemption of article 2.2 of the Benchmark regulation as a central bank and as such does not have to be registered in the ESMA register.

Further information on the benchmark index is available on the administrator's website: https://www.ecb.europa.eu/stats/financial_markets_and_interest_rates/euro_short-term_rate/html/index.en.html

The benchmark is only used for comparison. The manager is free to decide whether or not to invest in the securities that make up the benchmark index. It is therefore free to choose the securities that make up the portfolio while respecting the management strategy and investment constraints.

Investment strategy:

Sensitivity range: between 0 and 0.5

1- Strategy used

The UCITS management company establishes an initial investment universe composed of existing known money market issuers and issuers of bond market indices: Bloomberg Global Aggregate Corporate 1-5 year Index and ICE BofA BB Global High Yield BB 1-5 year Index.

This UCITS promotes environmental, social and governance (ESG) criteria within the meaning of Article 8 of Regulation (EU) 2019/2088 known as the Sustainable Finance Disclosure (SFDR).

In its investment decisions, the management team endeavours to take into account the criteria of the European Union in terms of economic activities considered sustainable under the Taxonomy Regulation (EU) 2020/852. Based on the transmitter data currently available, the minimum percentage of alignment with the European Union Taxonomy is 0%.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

The principal adverse impacts are also taken into account in the investment strategy and are based on policies for monitoring controversies and sector exclusions specific to Crédit Mutuel Asset Management as described below, the ESG and Sustainable Investment rating.

Pre-contractual information on the environmental or social characteristics promoted by the UCITS is available in the appendix.

The investment process is based on an ESG integration and selectivity and is broken down into three stages:

Stage 1: Legal and sectoral exclusion policies and controversy management:

Starting with the initial investment universe, the management team will apply a filter linked to Crédit Mutuel Asset Management's sector exclusion policies that it implements for the management of its funds. In addition to the legal exclusions, sectoral exclusions are implemented concerning controversial weapons, tobacco, coal and hydrocarbons. The controversy management of each security is subject to specific analysis, monitoring and rating. The management company will exclude all companies with major controversies.

Stage 2: ESG filter:

The extra-financial analysis carried out according to the ESG securities selection process leads to at least 25% of the lowest-rated issuers being excluded from the initial investment universe covered. Crédit Mutuel Asset Management's proprietary ESG analysis is based on three complementary pillars: Environment (e.g.: CO2 emissions, electricity consumption, waste recycling), Social (e.g. quality of social dialogue, employment of people with disabilities, employee training) and Governance (e.g. the percentage of women on boards of directors, transparency of executive compensation, and the fight against corruption). A qualitative analysis supplements the extra-financial analysis resulting from the model.

Stage 3: Financial analysis and portfolio construction:

The Fund limits its investment to financial instruments with a maximum residual maturity of 2 years or less in the case of floating or adjustable rate instruments, and with a maximum maturity of 397 days for fixed rate instruments.

For financial instruments with floating or adjustable rates, the reference must be made on the basis of a money market interest rate or index.

The portfolio will invest in signature funds rated at least A-2 or P2 (according to rating agencies Standard & Poor's, Moody's, Fitch or equivalent), or deemed equivalent on the basis of an analysis undertaken by the Management Company. The management company will therefore not exclusively or systematically use external ratings. It shall carry out its own credit analysis to establish the creditworthiness of assets at the time of investment or, in the event of a decline in said assets, to decide whether to sell or maintain them.

In accordance with Regulation (EU) 2017/1131, all issuers in the portfolio, their creditworthiness and their ESG rating must receive a positive internal assessment by the management company. This is a prerequisite for IMM investment (excluding governments, central banks, etc.), ABCP, securitisations and for assets received through reverse repurchase transactions. The credit assessment methodology is reviewed once a year at a Risk Committee meeting.

However, issuers with the highest ESG scores will not be automatically retained in the portfolio construction, as inclusion in the final portfolio is subject to the manager's discretion.

The individual securities selected by the management team which incorporate non-financial criteria and the UCIs selected by the management team featuring the French SRI label constitute 90% of the portfolio. The Fund may invest up to 10% of its net assets in directly held securities that do not incorporate non-financial criteria and in units or shares of non-SRI-certified UCIs.

The fund may also invest up to a maximum of 10% of its net assets in sustainable finance instruments. These instruments include the following categories:

- Green bonds;
- Sustainability bonds;
- Social bonds;
- Debt securities linked to performance on one or more sustainability objectives (sustainability-linked bonds).

The analysis of green bonds is carried out along three axes and in addition to the steps described above, namely:

1. Adherence to the four pillars of the "Green Bond Principles"

- Use of funds: the funds are to be used to finance or refinance green projects in line with the taxonomy defined by the GBPs and with the new European taxonomy;
- The project selection and evaluation process: precise selection and description of projects financed by the green bond, governance put in place around the selection, definition of environmental objectives and impact measurements linked to these projects.
- Fund management: detail of funds allocated by project, ability to monitor funds used with a rigorous process
- Transparency and reporting: the issuer must communicate at least annually and transparently on 2 points: the allocation of funds (funds allocated and activities financed) and the impact of the projects, i.e. the direct contribution to the environment such as the reduction of carbon emissions (impact report, objectives)

2. The issuer's energy transition strategy and status

- A cross-analysis is carried out with the fundamental analysis of the issuer described previously.

3. Analysis and measurement of the impact of funded projects

- special attention is paid to the choice of funded projects and their consistency with the issuer's more global energy transition strategy.

Finally, whether public or private, green bond issuers will be subject to the same financial and non-financial analyses and must pass the exclusion phase (stage 1) and the macro-economic/credit and carbon analysis phase (stage 2).

The share of public/sovereign (State) issuers and companies analysed under the ESG criteria in the portfolio is greater than 90%.

Internal credit rating assessment procedure:

I- Description of the scope of the procedure

Purpose of the procedure

To enable investment in assets of good credit quality. Only issuers with a positive internal assessment, i.e. one of the two highest internal short-term ratings, are authorised in money market UCIs. Only the securities of issuers with one of the two highest short-term internal ratings are authorised in money market funds.

Scope of application

The procedure applies systematically to money market instruments.

II- Description of the parties involved in the procedure

People in charge of the various tasks

- collect information and implement the methodology: the analysts and Risk Control;
- systematically validate ultimately the assessment of credit quality: Risk Control;
- check the implementation of: Compliance and Permanent Control Department;
- review/validate the methodology: Risk Committee.

The Risk Committee is chaired by the Chief Executive Officer of Crédit Mutuel Asset Management and the other effective managers of Crédit Mutuel Asset Management and Crédit Mutuel Gestion are members as of right.

The Risk Department coordinates this committee, which is represented by the Chief Risk Officer, the Head of Risk Control and the Head of Compliance and Internal Control.

III- Frequency of assessment implementation

The groups and issuers of the entire Crédit Mutuel Asset Management investment universe are analysed and rated at least once a year according to an internal procedure. In case of an event likely to negatively impact credit quality (e.g. significant deterioration in the operating environment, major external growth operation, etc.), it is systematically reviewed.

IV- Description of procedure input and output parameters

The internal rating is based on the following elements:

- Quantitative aspects:

- The financial profile of a group of issuers based on its financial data;
- Information on bond and CDS prices;
- Default statistics;
- Financial indices.

- Qualitative aspects:

This block assesses an issuer's operational profile based on all the criteria used to measure, among other things, the economic and regulatory environment, external support, positioning and quality of the issuer's management;

- Sectoral aspects:

This block assesses the risk of the sector in which the issuer operates based on criteria such as intensity of competition, market concentration or profitability;

- Adjustment factors: this block is used to adjust the rating when it is not sufficiently representative of the issuer's credit risk (major event impacting credit quality, etc.);
- The type of issuers;
- The liquidity profile of the instrument;
- The asset category to which the instrument belongs.

The analysis of issuers is carried out mainly on the basis of documents and information published publicly. Other sources of information may be used:

- External credit analyses (S&P, Moody's, Fitch) in connection with subscriptions for the provision of credit ratings as well as databases of financial information;
- Documents obtained during presentations to investors;
- Trade union websites;
- Press articles;
- Internal valuations;
- Information from Bloomberg, Thomson Reuters.

The result of the model is a score that is converted into a rating.

V- Description of the methodology

The corporates

The internal rating is based on the following elements:

- Sector risk: This block assesses the risk of the sector in which the issuer operates, based on various criteria such as the intensity of competition, profitability prospects, margin volatility and market growth.

- Operational risk (excluding sector risk): this consists of several criteria making it possible in particular to assess the level of competitiveness of the issuer (positioning on its market, geographical diversification, etc.), and the expertise of its management.

= Financial risk: this includes all quantitative criteria based on the issuer's financial data (various ratios calculated from the balance sheet and the income statement).

- Adjustment: this block is used to adjust the automatic rating resulting from the rating model when it is not sufficiently representative of the issuer's risk. In particular, the rating may be adjusted according to the strategic nature of the activity and/or the shareholder's support capacity, particularly when the shareholder is a State. Other factors such as the ability to absorb shocks, the issuer's relationship with its banks, market perception or the issuer's management of financial risk may also be taken into account when adjusting the rating.

Each criterion is assessed from 1 to 5 (very low to very high) weighted to obtain a score transposed into a short-term internal rating. The weightings were determined by a group of experts based on the recommendations of the ACPR, the advice provided by the rating agencies Standard & Poor's and the analysis of the practices of the rating agencies Moody's and Fitch.

An analysis of the various market data (CDS, bond prices, financial indices, etc.) makes it possible to refine the ratings using monitoring.

From time to time, and for reasons that are always justified by the analyst, it is possible to adjust the rating upwards or downwards.

The sovereigns of EU members

The internal rating is the transposition of external ratings issued by the reference agencies: Standard & Poor's, Moody's and Fitch. The external rating used is the lowest of the two best external ratings of the reference agencies. It is then transposed into an internal rating according to a correspondence table. Specific cases: where there are only two external ratings, the lowest rating is used for transposition. When there is only one external rating, the latter is used for transposition.

From time to time, and for reasons that are always justified by the analyst, it is possible to adjust the rating upwards or downwards.

Financial companies

The rating grid takes into account two main categories of criteria:

- Quantitative criteria, which make it possible to assess the financial profile of a group based on its latest financial data (ratios mainly calculated from the balance sheet and the income statement + prudential ratios).
- Qualitative criteria to measure, among other things, the economic and regulatory environment, external support, and the positioning and quality of the group's management.

These criteria are all assessed on a scale from 5 (very good) to 1 (bad). The weightings of the various criteria and families of criteria reflect their relative importance in the analysis of the entity's signature risk.

In accordance with the traditional "CAMEL" financial analysis model, the key ratios were chosen from the following four families:

- Profitability;
- Capital;
- Risks;
- Refinancing and liquidity.

The four main families of ratios are supplemented by a few indicators reflecting trends in the evolution of key aggregates:

- Current income trend;
- NTI trend;
- Growth in assets.

The weighting of each ratio within its family is defined according to its level of importance, its degree and its quality of information in the various sources available to us.

For banks, particular attention is paid to their appetite for market activities that are potentially a source of earnings volatility. This criterion will be assessed in particular on the basis of an analysis of the following ratios:

- Net trading income from proprietary trading (NTI);
- Max or average total VaR/Equity;
- Results of stress scenarios carried out by the bank;
- Assessment of market risk exposure and management.

The quantitative ratios shown in the grid do not always fully reflect the quality of the bank's liquidity and refinancing. A more qualitative assessment criterion for these elements therefore completes all the ratios.

The "overall liquidity management" score results from an assessment of the following points:

- Quality of primary liquidity: ability to cover short-term debt with readily available and fully tradeable assets;

- Easy access to refinancing on the markets:
 - Existence and capacity of the market to ensure liquidity;
 - Quality and stability of reputation in the markets;
 - Amount of confirmed bank lines granted by high-quality banks;
 - Diversification of resources by maturity and type (ability to use alternative sources of refinancing such as covered bonds).
- Quality of asset/liability management and liquidity management: existence of adequate procedures, tools and methods (gap analysis, stress scenarios).

This assessment must be supplemented by taking into account the regulatory ratios LCR (Liquidity Coverage Ratio) and NSFR (Net Stable Funding Ratio) published by the bank.

For all financials, the different qualitative criteria are assessed from 5 (Very Good) to 1 (Bad) and relate to the following five areas:

- Economic & banking environment;
- External support;
- Commercial positioning and diversification;
- Management, strategy, procedures;
- Outlook.

A score is obtained by weighting the various quantitative and qualitative elements. It is then transposed into a short-term internal rating.

An analysis of the various market data (CDS, bond prices, financial indices, etc.) makes it possible to refine the ratings using monitoring.

From time to time, and for reasons that are always justified by the analyst, it is possible to adjust the rating upwards or downwards.

VI- Description of the review framework

The credit quality assessment procedure and the relevance of the model are reviewed annually at a Risk Committee meeting.

In the event of a significant change, the management company modifies its system in order to best adapt it to the situation. Temporarily, the information displayed may not accurately reflect the procedure. The management company will also update the description of the procedure as quickly as possible and in the best interest of the unitholders according to its operational constraints.

The Weighted Average Maturity of the portfolio until the date of maturity is at most 6 months.

The Weighted Average Life of the portfolio until the expiry date of the financial instruments – calculated as the average of the final maturities of the financial instruments – is at most 12 months.

At least 7.5% of the Fund assets have daily maturities or involve a reverse repurchase agreement, which may be terminated with one business day's notice, or cash, which may be withdrawn with one business day's prior written notice.

The Fund will refrain from acquiring any other non-daily assets when doing so would reduce its investment in daily maturing assets to less than 7.5%.

At least 15% of the Fund assets have weekly maturities or involve a reverse repurchase agreement, which may be terminated with five business days' notice, or cash, which may be withdrawn with five business days' prior written notice.

The portfolio may hold money market instruments issued or guaranteed by a local, regional or central authority of a Member State, the central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank and rated "investment grade".

Investors should note that the Fund may invest more than 5% of its assets in money market instruments issued by:

- the European Bank for Reconstruction and Development ,
- the Council of Europe Development Bank,
- the International Bank for Reconstruction and Development ,
- the International Monetary Fund,
- the European Financial Stability Facility,
- the European stability mechanism,
- the European Investment Fund,
- the European Investment Bank,
- the European Central Bank,
- European supranational and public issuers (explicit or implicit guarantee of the government in which the public issuer is domiciled), Eurosystem banks (ECB, European Central Bank and NCB, National Central Banks).

The Fund may also invest up to 10% in the units or shares of French or European money market funds and/or in French money market AIFs meeting the criteria of Article R214-13 of the French Monetary and Financial Code.

2- Assets (excluding embedded derivatives)

In order to achieve its management objective, the Fund will use different types of assets:

- a) Shares: no
- b) Money market instruments
 - Negotiable debt securities, including NEU CP and NEU MTN : yes
 - Bonds: yes
 - Treasury bills: yes
 - Asset-backed Commercial Paper (ABCP) and securitisations: yes

Investments shall present following characteristics:

- all sectors
- the securities selected will be invested in both the private and public sectors
- anticipated credit level: securities eligible for the portfolio should have a high credit rating, meaning that they should have a rating of at least A-2 or P2 (according to ratings agencies Standard & Poor's, Moody's, Fitch or equivalent), or deemed equivalent according to an analysis by the Management Company.

The manager will systematically hedge the currency risk in the case of investments in securities whose currency is not the euro (currency of non-euro OECD countries). There may, however, be a residual currency exchange risk due to imperfect hedging.

- c) UCITS/AIF: yes, up to a limit of 10% of net assets in units or shares of "money market" funds/AIFs

The Fund may invest in UCITS/AIF of the Management Company or an affiliated company.

3- Derivative instruments

The Fund may use futures or options that are conditional on underlying interest rates, currencies or indices representative of one of these categories for the purpose of hedging interest rate and currency risks.

These transactions will be performed up to a maximum of 100% of the Fund assets.

Nature of the markets used:

- regulated: yes
- organised: yes
- OTC: yes

The Fund will preferably use organised markets but reserves the right to enter into OTC contracts where these contracts are better suited to the management objective or offer lower trading costs.

The Fund reserves the right to trade on all European and international markets.

Risks on which the manager seeks to act:

- equities: no
- interest rates: yes
- foreign exchange: yes
- credit: no
- indices: yes, interest rate and exchange rate

Nature of activities:

- hedging: yes (discretionary)
- exposure: no
- arbitrage: no
- other: no

Nature of the instruments used:

- futures: yes
- options: yes
- swaps: yes
- forward exchange: yes
- credit derivatives: no
- other: no

4 - Securities with embedded derivatives

In order to achieve the management objective, the manager may take positions to hedge the portfolio against risks:

- equities: no
- interest rates: yes
- foreign exchange: yes
- credit: no

Nature of activities:

- hedging: yes (discretionary)
- exposure: no
- arbitrage: no

Nature of the instruments used:

- EMTN
- BMTN
- Callable, puttable

5- Deposits: the Fund reserves the right to make deposits of up to 10% in order to manage its cash flow. These deposits can be disposed of at any time.

6- Cash borrowings: the Fund may not use cash borrowings.

7- Transactions for the temporary purchase and sale of securities: yes

Securities lending and/or reverse repo counterparties are subject to an ESG analysis during Crédit Mutuel Asset Management's eligibility review of financial intermediaries.

• **Type of activities and operations used:**

The temporary purchase or sale of securities (only repurchase and reverse repurchase) will be carried out in accordance with the Regulation on money market funds. They will be carried out as part of liquidity management.

These transactions will involve repurchasing and reverse repurchasing all assets eligible for the portfolio. Instruments involved in transactions of this type shall be bonds and other negotiable debt securities.

• **Envisaged level of use:**

Repurchasing and reverse repurchasing transactions may be carried out up to a maximum of 10% of the UCI's assets.

The expected proportion of assets under management that will be involved in such transactions may represent 10% of assets.

8- Information on financial guarantees (temporary purchase and sale of securities and/or OTC derivatives)

• **Nature of financial guarantees:**

Within the framework of transactions for the temporary purchase or sale of securities and/or OTC derivatives, the UCI may receive cash in its reference currency as collateral. Guarantees are held by the depositary of the UCI.

• **Reinvestment policy for guarantees received:**

Financial guarantees received in cash are reinvested in accordance with the applicable rules.

Financial guarantees received must be able to be fully enforced by the UCI at any time and without consulting or obtaining the approval of the counterparty. Financial guarantees received in cash may be:

- placed in deposit;
- invested in high-quality government bonds;

Securities received as collateral cannot be sold, reinvested or used as a guarantee deposit.

• **Selection of counterparties:**

The Management Company follows a specific selection process for financial intermediaries, also used for intermediaries designated for transactions for the temporary purchase or sale of securities. These intermediaries are selected based on their research quality, the cash assets that they offer, and their speed and reliability with regard to how they process orders and the quality they provide in doing so.

At the end of this rigorous and regulated process, subject to a grade, the counterparties selected for transactions for the temporary purchase or sale of securities are credit institutions authorised by the Management Company which have their registered office in a Member State of the European Union.

• **Remuneration:**

No remuneration is paid to the Depositary (within the framework of his capacity as Depositary) or to the Management Company for transactions for the temporary purchase or sale of securities. All income from these transactions is paid in full to the UCI.

The costs/fees relating to transactions for the temporary purchase and sale of securities are not invoiced to the Fund. These costs/fees are borne in full by the Management Company.

Furthermore, the management company does not receive any commission in kind on these transactions.

• **Risks:**

There is no correlation policy to the extent that guarantees received in cash in the reference currency of the UCI do not present an exchange risk or valuation risk due to fluctuating financial markets. Therefore, there is no discount policy applied to the guarantee received.

The audit teams in charge of the Fund shall respect all the limits described under the heading "Envisaged level of use". The policy of financial guarantees limited to cash does not require a specific risk procedure for monitoring collateral and associated discounts. The recourse to the purchase and/or sale transactions of securities may result in legal risks, in particular relating to contracts.

Risk profile:

"Your money will be invested in financial instruments selected by the management company. These instruments will be exposed to market trends and risks".

The risks described below are not exhaustive: investors should analyse the risks inherent to each investment and make their own decisions. Through the fund, subscribers are exposed to the following risks:

ESG investment risk: The fund uses ESG criteria and may underperform the market in general or other funds that do not use ESG criteria when selecting investments. ESG investments are selected, or excluded on the basis of financial and non-financial criteria. The fund may sell a security due to ESG reasons, rather than for purely financial considerations.

Sustainability risk: This is the risk associated with an environmental, social or governance event or situation which, if it were to occur, could have a significant actual or potential negative impact on the value of the investment.

Discretionary risk:

The discretionary management style applied to the mutual fund is based on the selection of portfolio assets and/or market expectations. There is a risk that the mutual fund may not be invested in the best-performing assets or markets at all times. The fund's performance may therefore be lower than the management objective. In addition, the net asset value of the fund may have a negative performance.

Interest rate risk:

This is the risk of a decrease in interest rate instruments due to interest rate fluctuations, which may cause a decline in the net asset value of the Fund.

Credit risk: Credit risk may arise from a downgrading of the credit rating of an issuer of debt securities or the default of an issuer. If an issuer's credit rating is downgraded, the value of its assets falls. Accordingly, this may cause the net asset value of the Fund to fall.

Risk of capital loss:

Investors are advised that their capital is not guaranteed and may therefore not be returned to them.

Counterparty risk:

This relates to entering into financial futures contracts traded on OTC markets and from repos and reverse repos of securities: This is the risk that a counterparty may default on payment. The defaulting of the payment of a counterparty may therefore lead to a decrease in the net asset value.

Guarantee or protection:

The Fund does not benefit from any guarantee or protection.

Target subscribers:

B units	All subscribers, including investors subscribing via distributors providing a non-independent advisory service within the meaning of MiFID II or Reception and Transmission of Orders (RTO) with services, more particularly investors from Benelux and CMNE clients
E units	All subscribers, and more particularly intended for foreign professional clients within the meaning of the Markets in Financial Instruments Directive (MiFID)
I units	Reserved for professional clients within the meaning of MiFID
R units	All subscribers, including investors subscribing via distributors providing a non-independent advisory service within the meaning of MiFID II or Reception and Transmission of Orders (RTO) with services
T C	All investors without payment of retrocession fees to distributors

units

Investors subscribing to this Fund wish to gain exposure to the money market through the use of a responsible investment process.

T units subscription terms:

Subscriptions for T units (net units) are reserved:

- for investors subscribing through distributors or intermediaries:
 - subject to national legislation prohibiting all retrocession fees to distributors
 - providing:
 - o independent advice within the meaning of European regulation MiFID II,
 - o individual portfolio management under mandate

- funds of funds

All arbitrage of Fund units towards T units shall benefit from the MIF2 tax ruling until 31 December 2017 (DGFIP (Public Finances Directorate General) letter No. 2016/00012908, dated 16 March 2017; www.la-francaise.com), provided that subscriptions for T units are immediately preceded by a redemption of R and B units by the same unitholder on the same net asset value date.

US investors

Units have not been and will not be registered under the US Securities Act of 1933 (hereinafter the "Act of 1933") or any other law applicable in a US state. Units may also not be directly or indirectly transferred, offered or sold in the United States of America (including its territories and possessions) to any US Person (hereinafter "U.S. Person"), as defined in the American Regulation 'Regulation S' of the Act of 1933 as adopted by the Securities and Exchange Commission ("SEC") unless (i) the units have been registered or (ii) an exemption applies (with the prior agreement of the management company's governing body).

The fund has not been and will not be registered under the US Investment Company Act of 1940. Any re-sale or transfer of units in the United States of America or to a U.S. Person may be in breach of U.S. law and requires the written agreement of the management company of the fund. Those wishing to acquire or purchase units will have to certify in writing that they are not a "U.S. Person".

Russian and Belarusian investors

In accordance with the provisions of EU Regulation No. 833/2014 subscription to units/shares of this fund is prohibited to any Russian or Belarusian national, to any natural person residing in Russia or Belarus or to any legal person, entity or body established in Russia or Belarus except nationals of a Member State and to natural persons holding a temporary or permanent residence permit in a Member State.

The appropriate amount to invest in the mutual fund depends on your personal financial situation. To determine this, you must take into account your personal assets, current needs as well as your risk appetite or, on the contrary, your preference for a prudent investment. You are also strongly advised to diversify your investments so that they are not exposed solely to the risks of this fund.

Recommended investment period:

> 7 days

Methods of determining and allocating distributable amounts:

B units	Capitalisation
E units	Capitalisation
I units	Capitalisation
R units	Capitalisation
T C units	Capitalisation

The distributable amounts consist of:

1. The net result, which corresponds to the amount of interest, arrears, dividends, bonuses and lots, directors' fees and all income relating to the securities making up the fund portfolio, plus income from sums temporarily held as liquid assets, minus management fees and borrowing costs, plus retained earnings, plus or minus the balance of the income adjustment account;
2. the realised capital gains, net of costs, minus the realised capital losses, net of costs, during the financial year, plus the similar net capital gains realised during the previous financial years which were not subject to distribution or capitalisation, minus or plus the balance of accrued capital gains.

Accounting currency:

EUR

Subscription and redemption terms:**R, B, E, TC, I units:**

Subscription requests (in value or as a number of units) and redemption requests (as a number of units) on units yet to be listed or already listed as bearer will be accepted by your usual financial intermediary at any time. They are processed by La Française AM Finance Services at 12 p.m. on the net asset value calculation dates (if the Stock Exchange is open in Paris or the next trading day, except for statutory holidays in France) and are executed on the basis of the last-known net asset value.

I, R units

Subscription orders (in value or as a number of units) and redemption orders (as a number of units) on units yet to be listed or already listed as pure registered in the IZNES Shared Electronic Registration System (DEEP) will be accepted by IZNES at any time and centralised with IZNES each net asset value calculation day at 12pm (if the Stock Exchange is open in Paris, or the next trading day, except for public holidays in France) and are executed on the basis of the last known net asset value.

Related payments are made on the net asset value calculation date.

However, subscription and redemption requests processed before 12 p.m. on the day after a holiday period (days when the Paris Stock Exchange is normally closed) are executed on the basis of the net asset value calculated using the stock prices of the last trading day preceding the holiday period, plus interest accrued during the holiday period on interest-bearing assets (liquid assets, bonds, treasury bills and similar assets), less expenses over said period.

The Fund's net asset value used for executing the subscription and redemption orders may be recalculated between the time the orders are placed and their execution, in order to take into account any exceptional market event that may have occurred in the meantime.

Processing of subscription orders	Processing of redemption orders	Execution of the order	Publication of the net asset value	Settlement of subscriptions	Settlement of redemptions
T before 12 p.m.	T before 12 p.m.	D	Day D	Day D	Day D

Liquidity risk management policy:

The management of the UCI's liquidity risk is carried out within the framework of an analysis and monitoring system based on internal tools and methodologies set up within the management company. This system revolves around two axes:

- monitoring of the portfolio's liquidity profile, based on the assessment of the liquidity of assets with regard to current market conditions;
- monitoring of the fund's ability to cope with significant redemption scenarios under current or degraded market conditions.

Minimum value of initial subscription:

B units	EUR 100
E units	EUR 500,000
I units	EUR 500,000
R units	EUR 100
T C units	None

Minimum value of subsequent subscriptions:

B units	None
E units	None
I units	None
R units	None
T C units	None

Date and frequency of the net asset value:

The net asset value is calculated on each trading day of the Paris Stock Exchange, excluding legal holidays in France.

Original net asset value:

B units	EUR 100
E units	EUR 100,000
I units	EUR 100,000
R units	EUR 70,000
T C units	EUR 100

Location where the net asset value is published:

at the premises of the management company and on the following websites: www.la-francaise.com and www.creditmutuel-am.eu

Costs and fees:*Subscription and redemption fees:*

Subscription and redemption fees increase the subscription price paid by the investor or decrease the redemption price. The fees received by the UCITS offset the charges it incurs in investing or divesting the assets entrusted to it. Commissions not retained by the fund are paid to the investment company, distributor, etc.

Costs payable by the investor, levied at the time of subscription and redemption	Base	Rate/scale
Subscription fee not paid to the UCITS	Net asset value x Number of units	B units: None E units: None I units: None R units: None T C units: None
Sales fee paid to the UCITS	Net asset value x Number of units	B units: None E units: None I units: None R units: None T C units: None
Redemption fee not paid to the UCITS	Net asset value x Number of units	B units: None E units: None I units: None R units: None T C units: None
Redemption fee paid to the UCITS	Net asset value x Number of units	B units: None E units: None I units: None R units: None T C units: None

Operating and management charges:

These cover all costs charged directly to the UCITS, apart from transaction fees. Transaction costs include intermediation charges (brokerage, stamp duties, etc.) and any turnover fees charged in particular by the depositary and the management company.

In addition to operating and management charges, there may also be:

- outperformance fees. These are paid to the management company when the UCITS has exceeded its objectives. They are therefore charged to the UCITS;
- turnover fees are charged to the UCITS.

	Costs invoiced to the UCITS	Base	Rate/scale
1	Financial management fees	Net assets	I units: 0.078% maximum rate (including tax) R units: 0.278% maximum rate (including tax) E units: 0.098% maximum rate (including tax) B units: 0.728% maximum rate (including tax) T units: 0.078% maximum rate (including tax)
2	Administrative costs external to the management company	Net assets	I units: 0.022% maximum rate (including tax) R units: 0.022% maximum rate (including tax) E units: 0.022% maximum rate (including tax) B units: 0.022% maximum rate (including tax) T units: 0.022% maximum rate (including tax)
3	Maximum indirect costs	Net assets	None
4	Turnover fees	Deducted from each transaction	Bonds: €200 Swaps: €300 Futures: EUR 6 contract; EUR 2.50 option UCI: EUR 15 (MMF)
5	Outperformance fee	Net assets	none

Research costs in accordance with the provisions of the AMF General Regulation may be invoiced to the Sub-Fund, where these costs are not paid out of the management company's own resources.

A percentage of the management fee may be paid to remunerate marketers and distributors, subject to applicable regulations.

Other costs invoiced to the UCITS

- contributions due to the UCITS management pursuant to Article L621-5-3 (II)(3)(d) of the Monetary and Financial Code;
 - taxes, duties, licence fees and government fees (relating to the UCITS), both extraordinary and non-recurring;
 - extraordinary and non-recurring costs relating to debt recovery or a procedure for asserting a right (e.g. class action procedure).
- Information concerning these fees is also laid out, ex post, in the UCITS's annual report.

Choice of intermediaries:

The Management Company has introduced a procedure for selecting and evaluating intermediaries and counterparties that takes into account objective criteria such as intermediation costs, execution quality and research. This procedure is available at the following address: <https://www.la-francaise.com/fr/informations-reglementaires/>

Unitholders should refer to the annual report of the fund for any further information they may require.

Information on risks relating to potential conflicts of interest

The management company may entrust Crédit Industriel et Commercial with the intermediation service, which will be provided by the Table Buy Side department within CIC Market Solutions. Crédit Industriel et Commercial is a Société Anonyme (public limited company) under French law with a share capital of 608,439,888 euros. On 30 September 1999, Crédit Industriel et Commercial obtained authorisation from the CECEI as a bank providing investment services. The two companies belong to the same group, which is likely to generate a potential risk of conflict of interest.

The service provided by Crédit Industriel et Commercial has therefore been governed by a service contract, to ensure that there is no impact on the fund's investors/shareholders in terms of cost and quality of service.

Crédit Industriel et Commercial's main purpose is to provide intermediation services (i.e. receiving, transmitting and executing orders on behalf of third parties) mainly for the Group's asset management companies. Within this framework, the service provider chooses brokers from the list of brokers authorised by the management company and places orders according to criteria defined by the latter.

Crédit Industriel et Commercial can act as principal or agent. Intervention in "principal" mode corresponds to intervention as counterparty to the management company's portfolios. Acting as an agent, Crédit Industriel et Commercial acts as an intermediary between portfolios and market counterparties. These may be entities belonging to the management company's group.

3. Commercial information

1. The Fund units are distributed by LA FRANCAISE AM FINANCE SERVICES, CMNE.

2. Subscription/redemption requests are centralised with LA FRANCAISE AM FINANCE SERVICES for units yet to be registered or already registered in bearer form within Euroclear, and by IZNES for units yet to be registered or already registered in pure registered form within the IZNES Shared Electronic Registration System (DEEP) .

3. Information about the "La Française Trésorerie ISR" mutual fund is available at the Management Company's premises or on the websites: www.creditmutuel-am.eu and/or www.la-francaise.com.

4. Information regarding the inclusion of ESG (Environmental, Social and quality of Governance) criteria in the investment policy is available on the following website: www.la-francaise.com and will appear in the annual report.

5. Notification of the portfolio breakdown: the management company may directly or indirectly inform the unitholders of the UCI with professional investor status of the breakdown of assets of the UCI, for purposes exclusively associated with regulatory obligations as part of the calculation of shareholders' equity. This notification takes place, where applicable, within a period which may not be less than 48 hours after the publication of the net asset value.

4. Investment rules

The fund shall comply with the investment rules set by the Monetary and Financial Code.

5. Overall risk method

The mutual fund applies the commitment approach.

6. Rules for asset accounting methods and valuation

The Fund abides by the accounting rules laid down under the regulations in force and in particular the accounting rules applicable to UCIs.

All transferable securities in the portfolio are recorded at past cost, excluding fees.

The rules for determining the net asset value of the money market fund comply with the provisions of Regulation (EU) 2017/1131 of 14 June 2017 on money market funds.

On each net asset valuation date and balance sheet date, the portfolio is valued based on:

Transferable securities

- Bond debt securities with a maturity of more than 1 year (MTN, bonds, OAT, Treasury bills): at market value – excluding accrued coupons on bonds – closing price. Foreign prices are converted to euros using the closing exchange rates on the valuation day. Transferable securities whose price has not been noted on the valuation day are valued at the last officially published rate or at their probable trading value, under the responsibility of the Management Company. The valuation is made on BID prices. If there is no listing, the spread will be calculated on the basis of the spreads offered on the same issuer's issues in the secondary market over the remaining life of the securities.

- Negotiable debt securities with a maturity of less than 1 year (NEU CP): the valuation is calculated using the margin spread offered by the issuer over the remaining life of the security using an actuarial method. If there is no price or no representative price, without a contribution from the usual sources or in the absence of interest from market counterparties, the formation of the curve prices of the issuer in question will be established using an average price per sector and per rating (issuer's peer group).

- swaps: at market value. If there are no representative prices, an independent counter-valuation established daily by the risk control officer may be used.

- Any temporary securities purchase and sale transactions (repurchase and reverse repurchase will be valued according to the provisions of the contract).

- UCIs: at the last-known net asset value.

Thus, if prices are missing or if the management company does not consider them to be unrepresentative, the management company may decide to force the price on the basis of the above principles, verified by the risk control officer.

The Fund will not use the amortised cost method.

Accounting method for interest

Interest on bonds and debt securities is recorded using the accrued interest method.

7. Remuneration

In accordance with Directive 2009/65/EC and Article 314-85-2 of the General Regulations of the Financial Markets Authority, the management company has implemented a remuneration policy for categories of staff whose professional activities have significant repercussions on the risk profile of the management company or of the UCITS. These categories of staff include managers, members of the Board of Directors (including the senior management), risk takers, persons performing auditing tasks, persons in a position to influence employees, and all employees receiving a total remuneration who are in the same remuneration range as the risk takers and the senior management. The remuneration policy is compliant and encourages healthy and effective risk management, and does not encourage risk-taking which would be incompatible with the risk profiles of the management company or with its articles and does not hinder the obligation of the management company to act in the greater interests of the UCITS.

La Française Group has set up a remuneration committee at Group level. The remuneration committee is set up in accordance with the internal regulations and in accordance with the principles laid down in Directive 2009/65/EC and Directive 2011/61/EU. The remuneration policy of the management company is designed to promote good risk management and to discourage risk-taking which would exceed the tolerable level of risk, by taking into account the investment profiles of the funds under management and by implementing measures enabling any conflicts of interests to be avoided. The remuneration policy is reviewed annually.

The remuneration policy of the management company, detailing the way in which remuneration and benefits are calculated, is available free of charge from the registered office of the management company. A summary is available from the website: <https://www.la-francaise.com/fr/informations-reglementaires>.

MUTUAL FUND REGULATIONS

La Française Trésorerie ISR

SECTION 1: ASSETS AND UNITS

Article 1: Co-ownership units

The rights of the co-owners are expressed in units, each unit corresponding to the same fraction of the fund's assets. Each unitholder has a right of co-ownership to the fund assets in proportion to the number of units held.

The duration of the fund is 99 years from its creation except in the case of early dissolution or extension provided for in these regulations.

Unit categories:

The features of the different classes of units and their access conditions are specified in the prospectus of the mutual fund.

The different classes of units may:

- Use different income distribution procedures (distribution or capitalisation or carry forward);
- Be denominated in different currencies;
- Bear different management fees;
- Incur different subscription and redemption fees
- Have different nominal values;
- Be systematically hedged against risk, in part or in full, as defined in the prospectus. This hedging is provided through financial instruments, minimising the impact of hedging on the other classes of units of the mutual fund;
- Be confined to one or more marketing channels.

The units may be divided, grouped or split into tenths, hundredths, thousandths, ten thousandths or hundred thousandths (referred to as "fractional units") at the discretion of the management company.

The provisions of the articles of association governing the issue and redemption of units apply to fractional units, whose value will always be proportional to that of the unit they represent. All other provisions of the regulations relating to units shall apply to fractional units without the need to specify, unless otherwise provided.

Finally, the Executive Board of the management company may decide unilaterally to split units by creating new units to be allocated to the unitholders in exchange for the old units.

Article 2: Minimum volume of assets

Units may not be redeemed if the assets fall below EUR 300,000; if the assets remain below this amount for a period of 30 days, the management company shall make the necessary provisions to liquidate the UCITS in question, or to carry out one of the operations mentioned in Article 411-16 of the General Regulations of the Financial Markets Authority (transfer of the UCITS).

Article 3: Issue and redemption of units

Units may be issued at any time at the request of the holders, based on the net asset value plus any subscription fees, where applicable.

Redemptions and subscriptions are carried out according to the terms and conditions set out in the prospectus.

Mutual fund units may be admitted to listing in accordance with the regulations in force.

Subscriptions must be fully paid on the day on which the net asset value is calculated. They may be paid for in cash and/or through the contribution of financial instruments. The management company has the right to refuse the securities offered and, for this purpose, has a period of seven days from their deposit to make its decision known. In the event of acceptance, the securities offered are valued according to the rules set out in Article 4 and the subscription is carried out on the basis of the first net asset value following acceptance of the securities in question.

Redemptions may be made in cash.

Redemptions may be made in kind. If the redemption in kind corresponds to a representative share of the portfolio assets, then only the written agreement signed by the outgoing unitholder must be obtained by the UCITS or the management company. Where the redemption in kind does not correspond to a representative share of the assets in the portfolio, all unitholders must provide written approval authorising the outgoing unitholder to obtain the redemption of his/her units against certain specific assets, as explicitly established in the agreement.

By way of derogation from the above, when the fund is an ETF, redemptions on the primary market may, with the agreement of the portfolio management company and in the interest of the unitholders, be carried out in kind according to the conditions established in the prospectus or the fund regulations. The assets are then delivered by the issuing account holder in accordance with the conditions established in the fund's prospectus.

Redeemed assets are generally valued in accordance with the rules set in Article 4, and redemption in kind is carried out on the basis of the first net asset value following the acceptance of the assets in question.

Redemptions are settled by the issuing account holder no later than five days after the valuation of the unit.

However, if, in exceptional circumstances, the redemption requires the prior realisation of assets included in the fund, this period may be extended; it may not exceed 30 days.

Except in the case of inheritance or inter vivos distribution, the sale or transfer of units between unitholders, or from unitholders to a third party, is treated in the same way as a redemption followed by a subscription; in the case of a third party, the amount of the sale or transfer must, where applicable, be supplemented by the beneficiary to reach at least that of the minimum subscription required by the prospectus.

Pursuant to Article L214-8-7 of the Monetary and Financial Code, both the redemption by the mutual fund of its units and the issue of new units may be suspended on a temporary basis by the management company where required by exceptional circumstances and where this is in the interests of the unitholders.

If the net assets of the mutual fund are lower than the amount specified in the regulations, no units may be redeemed.

The UCITS may partially or totally stop issuing units temporarily or definitively pursuant to Article L214-8-7, third paragraph, of the Monetary and Financial Code in objective situations leading to the closure of subscriptions, such as a maximum number of units or equities being issued, a maximum amount of assets being achieved or the expiry of a determined subscription period. Information on this instrument's activation will be issued via any means to all existing unitholders concerned by its activation; it will also include information on the threshold and the objective situation which led to the decision for partial or total closure. In the event of a partial closure, the information issued via any means will clarify in detail the terms under which existing unitholders may continue to subscribe over the period of the partial closure. Unitholders shall also be informed via any means of the decision of the UCITS or of the management company to either end the partial or total closure for subscription (during the passage under the activation threshold) or not to end it (in the event of changes to the threshold or changes in the objective situation which led to the instrument being implemented). Any proposed change to the objective situation or to the instrument activation threshold must always be made in the interests of the unitholders. The information issued via any means will clarify the precise reasons for the changes.

Minimum subscription conditions are possible, according to the terms set out in the prospectus.

If the net assets of the mutual fund are lower than the amount specified in the regulations, no units may be redeemed.

The management company reserves the right to restrict or deny the direct or indirect holding of fund units by any person or entity which is prohibited from holding the fund units (hereinafter "Ineligible Person") as described below:

An "Ineligible Person" is:

- a "U.S. Person" as defined in SEC Regulation S of the Securities and Exchange Commission (SEC) (Part 230 – 17 CFR 230.903); or

- any other person who (a) is directly or indirectly in violation of the laws and regulations of any country or government institution, or (b) may, in the opinion of the management company of the mutual fund, cause damage to the mutual fund, which it would have otherwise not endured or suffered.

To this end, the management company of the mutual fund may:

- (i) refuse to issue any units as soon as it becomes evident that such issuance will or may result in the aforementioned units being directly or indirectly held by or for an Ineligible Person;

- (ii) demand, at any time, that a person or entity whose name appears on the register of unitholders provide any information, accompanied with a solemn declaration, which it deems necessary in order to establish whether the actual beneficiary of the relevant units is an Ineligible Person or not;

and

- (iii) when it is apparent that a person or entity is (i) an Ineligible Person and, (ii) solely or jointly, the effective beneficiary of the units, proceed with the forced redemption of all the units held by a unitholder without delay and, at the latest, within five days.

The forced redemption will take place at the last known net asset value, minus, where applicable, the relevant fees, rights and commissions, which will be charged to the Ineligible Person within five days, during which time the actual beneficiary of the units may present his observations to the competent authority.

This power also covers any person (i) who is in direct or indirect violation of the laws and regulations of any country or government institution, or (ii) may, in the opinion of the management company of the mutual fund, cause damage to the mutual fund, which it would have otherwise not endured or suffered.

Article 4: Calculation of the net asset value

The net asset value of the units is calculated in accordance with the valuation rules set out in the prospectus. Contributions in kind may only consist of securities, transferable securities or contracts in which UCIs are authorised to invest, such contributions shall be valued pursuant to the valuation rules used to calculate the net asset value.

SECTION 2: FUND OPERATION

Article 5: The management company

The fund is managed by the management company in accordance with the strategy set out for the fund. The management company shall act under all circumstances in the exclusive interests of the unitholders and may alone exercise the voting rights attached to the securities in the fund.

Article 5a: Operating rules

The instruments and deposits in which the fund may invest are specified in the prospectus. The sub-fund reserves the right to invest more than 5% of its assets in money market instruments issued by: the European Bank for Reconstruction and Development, the International Bank for Reconstruction and Development, the International Monetary Fund, the European Financial Stability Facility, the European Stability Mechanism, the European Investment Fund, the European Investment Bank, European supranational and public issuers (explicit or implicit guarantee of the government where the public issuer is domiciled), Eurosystem banks (ECB, European Central Bank and national central banks – NCBs). In accordance with Regulation (EU) 2017/1131, all issuers in the portfolio and their creditworthiness must receive a positive internal assessment by the management company. This is a prerequisite for IMM investment (excluding government, central banks, etc.), ABCP, securitisations and for assets received through reverse repurchase transactions. The internal credit quality evaluation procedure is set out in the prospectus; it must be suitable in all circumstances; to this end, it may be adapted if necessary to maintain its quality. The procedure as described in the prospectus may therefore temporarily fail to precisely reflect the procedure in place.

7.1 Article 5b: Admission for trading on a regulated market and/or a multilateral trading system

The units may be admitted to trading on a regulated market and/or a multilateral trading system in accordance with the regulations in force. If the mutual fund whose units are admitted for trading on a regulated market has a management objective linked to an index, the fund must have a mechanism in place to ensure that the price of its units does not deviate substantially from its net asset value.

Article 6: The depositary

The depositary shall perform the duties incumbent upon it pursuant to the laws and regulations in force as well as those contractually entrusted to it by the management company. In particular, it must ensure the legality of decisions taken by the management company of the portfolio. Where necessary, it must take all the precautionary measures that it deems to be necessary. In the event of any dispute with the management company, it will inform the Financial Markets Authority.

Article 7: The statutory auditor

A statutory auditor shall be designated for six financial years, after agreement with the Financial Markets Authority, by the governing body of the management company.

It certifies the legality and accuracy of the accounts.

The statutory auditor's term of office may be renewed.

The statutory auditor is required to notify the Financial Markets Authority as quickly as possible of any fact or ruling regarding the UCITS of which it becomes aware over the course of its assignment, of a nature that may:

1. constitute a breach of the legislative or regulatory provisions applicable to this body or be liable to have significant effects on the financial situation, profits or the assets;
2. adversely affect the conditions or the continuity of its operation;
3. lead to the issuance of reserves or the refusal to certify the accounts.

The statutory auditor shall supervise asset valuations and the calculation of the exchange parity in conversion, merger or demerger transactions.

It assesses any contribution or redemption in kind under its responsibility, except in the context of redemptions in kind for an ETF on the primary market.

It shall monitor the composition of the assets and other items prior to publication.

The statutory auditor's fees are determined by mutual agreement between the auditor and the executive board of the management company on the basis of a work schedule specifying the duties considered necessary.

The auditor shall certify the situations on the basis of which interim distributions are made.

Article 8: Financial statements and management report

At the end of each financial year, the management company prepares summary documents and draws up a report on the management of the fund during the past financial year.

The management company establishes, at least semi-annually and under the supervision of the depositary, an inventory of the assets of the UCI.

The management company shall make these documents available to the unitholders within four months of the end of the financial year and shall inform them of the amount of income they have the right to: these documents are either sent by post at the express request of the unitholders, or made available at the management company.

SECTION 3: ALLOCATION PROCEDURES OF DISTRIBUTABLE AMOUNTS

Article 9: Procedures for allocating income and distributable amounts

The distributable amounts consist of:

- 1) the net profit plus the amount carried forward, plus or minus the balance of prepayments and accrued income;
- 2) The capital gains made, net of costs, minus the capital losses made, net of costs, during the financial year, plus the similar net capital gains made during the previous financial years which were not subject to distribution or capitalisation and minus or plus the balance of the net capital gains of the pre-payment account.

The amounts stated in 1) and 2) may be distributed, in whole or in part, independently of each other.

The payment of the distributable amounts shall be performed within a maximum period of five months following the end of the financial year.

The mutual fund's net income is equal to the amount of interest, arrears, bonuses and lots, dividends, directors' fees and all other income relating to the securities making up the fund's portfolio, plus income from sums temporarily available, minus management fees and borrowing costs.

The management company shall decide how distributable amounts will be distributed.

For each equity category, as applicable, the mutual fund may opt for one of the following formulae for each of the amounts detailed in 1) and 2):

pure capitalisation: the distributable amounts are fully capitalised, with the exception of those that are subject to mandatory distribution by law;

pure distribution: the amounts are fully distributed, rounded to the nearest number;

For mutual funds seeking to maintain the freedom to capitalise and/or distribute and/or carry forward distributable amounts, the management company shall decide on the allocation of each of the amounts detailed in 1) and 2) each year.

During the course of the financial year, the management company may decide to make one or more prepayments not exceeding the net income of each of the amounts stated in points 1 and 2, recorded at the date of the decision.

The exact methods for the allocation of income are set out in the prospectus.

Article 10: Merger – Split

The management company may either make a total or partial contribution of the assets comprising the fund to another UCITS, or may split the fund into two or more mutual funds.

Unitholders must be notified before any such merger or demerger takes place. The transactions will lead to a new certificate being issued, specifying the number of units held by each unitholder.

Article 11: Dissolution – Extension

If the assets in the fund remain below the amount specified above in Article 2 for thirty days, then the management company shall advise the Financial Markets Authority and dissolve the fund, unless there is a merger operation with another mutual fund.

The management company may dissolve the fund early; it shall inform the unitholders of its decision, and no subscription or redemption orders will be accepted after this date.

The management company shall also dissolve the fund in the event of a redemption order for all of the units, or where the depositary is relieved of its responsibilities and no other depositary has been appointed, or on expiry of the term of the fund, if it has not been extended.

The management company shall inform the Financial Markets Authority by post of the date and of the selected procedure for dissolution. Subsequently, the management company shall send the statutory auditor's report to the Financial Markets Authority.

The management company may, by agreement with the depositary, decide to extend a fund's term. Its decision must be taken at least three months prior to expiry of the fund's term, and must be notified to the unitholders and the Financial Markets Authority.

Article 12: Liquidation

In the event of dissolution, the management company shall act as liquidator, failing which a liquidator shall be appointed by the court at the request of any interested party. To this end, the liquidator is vested with the most extensive powers for liquidating assets, paying creditors and distributing the available balance to unitholders in cash or securities.

The statutory auditor and the depositary shall continue to carry out their duties until the liquidation operations have been completed.

Article 13: Jurisdiction – Choice of domicile

Any disputes concerning the mutual fund arising during its existence or upon its liquidation, whether among unitholders or between unitholders and the management company or the depositary, shall be subject to the jurisdiction of the competent courts.