Mandarine Opportunités

Prospectus

01/01/2023

SRI fund

French UCITS under Directive 2009/65/EU – UCITS

I GENERAL CHARACTERISTICS

I.1 NAME

Mandarine Opportunités *(hereinafter referred to as the "**Fund**" or the "**UCITS**")*

I.2 LEGAL FORM AND MEMBER STATE IN WHICH THE UCITS WAS ESTABLISHED

Fonds Commun de Placement (mutual fund) under French law.

I.3 DATE OF CREATION AND INTENDED DURATION

This Fund was created on 26 September 2008 for a period of 99 years.

I.4 OVERVIEW OF THE MANAGEMENT OFFER

	R units	F units	I units	M units
ISIN code	**FR0010657122**	**FR0013140084**	**FR0010659797**	**FR0010659805**
Allocation of the distributable sums	Capitalisation			
Currency denomination	EUR			
Target investors	All investors	All investors (2)	All investors in particular Institutional and equivalent investors	Institutional and equivalent
Minimum initial subscription	EUR 50	EUR 50	EUR 500,000 (1)	EUR 40,000,000 (1)
Minimum subsequent subscription	Ten thousandths of a unit			
Initial net asset value	EUR 500	EUR 500	EUR 5,000	EUR 50,000
Decimalisation	Yes, ten thousandths			

(1) except the Management Company, which takes out only one unit.
(2) For F units: units reserved for all investors and, in the context of subscription or distribution within the European Union, that are intended solely for:

(i) Financial intermediaries who are not authorised, under the applicable regulations, to receive and/or hold on to any commissions or non-monetary benefits; or

(ii) Subscribers subscribing to portfolio management services on behalf of third parties (management by mandate) and/or independently provided investment consulting within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments within the European Union (the MiFID II Directive);

(iii) Subscribers subscribing in the context of investment advice not considered to be independent within the meaning of the MiFID II Directive on the basis of a contract with their customer, and/or where such a distributor neither receives nor holds on to any commission or other non-monetary benefit under the MiFID II Directive.

I.5 LOCATION WHERE THE LATEST ANNUAL REPORT AND THE LATEST INTERIM REPORT MAY BE OBTAINED

The Fund's Prospectus, the annual and interim reports and the breakdown of assets are sent, within eight business days, free of charge upon written request to:

MANDARINE GESTION - 40, Avenue George V - 75008 Paris
Email: serviceclient@mandarine-gestion.com

The prospectus of the Fund, the annual and interim documents are available at www.mandarine-gestion.com.

Dissemination of the portfolios

The Management Company may be required to transmit all or part of the information concerning the composition of the portfolio of the UCITS to enable some of its investors, in particular institutional investors, to comply with their obligations derived from Directive 2009/138/EC ("Solvency II") with respect to transparency *(SCR – Solvency Capital Requirement)*.

The Management Company will ensure that each investor who is a recipient of this information has established procedures for managing sensitive information prior to the transmission of the composition of the portfolio so that such information be used only for calculating prudential requirements. These procedures must also prevent *market timing* and *late trading practices.*

I.6 PUBLICATION OF INFORMATION ON SUSTAINABILITY AND SUSTAINABLE INVESTMENTS

Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (known as the “Disclosure Regulation”)

As a player in the financial markets, the management company of the UCI is subject to Regulation 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector (known as the “Disclosure Regulation”).
This Regulation lays down harmonised rules for financial market participants relating to transparency with regard to the integration of sustainability risks (Article 6 thereof), the taking into account of negative impacts in terms of sustainability, the promotion of environmental or social characteristics in the investment process (Article 8 thereof) or sustainable investment objectives (Article 9 thereof).
Sustainable investment is an investment in an economic activity that contributes to an environmental objective, measured for example by means of key indicators in terms of efficient use of resources concerning the use of energy, renewable energies, raw materials, water and land, in terms of waste production and greenhouse gas emissions or in terms of effects on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment which contributes to the fight against inequalities or which promotes social cohesion, social integration and labour relations, or an investment in human capital or in economically or socially disadvantaged communities, provided that these investments do not cause material prejudice to any of these objectives and that the companies in which the investments are made apply good governance practices – in particular with regard to sound management structures, employee relations, remuneration of competent staff and compliance with tax obligations.
Sustainability risk is defined as an environmental, social or governance event or situation which, if it occurs, could have a material adverse effect – actual or potential – on the value of the investment.
It should be noted that this risk can therefore be understood as a specific category of financial risk (measured by its potential negative impact on the portfolio's return).
Sustainability risk is primarily taken into account in the following way in the implementation of portfolio management:

- Like any other risk with a potential burden on the portfolio's return, sustainability risk is taken into account by management prior to acquiring a security and throughout the investment.To do this, management relies particularly on the expertise of Mandarine Gestion's team of ESG analysts.
- A synthetic sustainability risk indicator (ISRD) has been developed and is used to measure the exposure of each portfolio to sustainability risk.Limits based on this indicator are applied to the Fund. If exceeded, adjustments to the portfolio may be required.
- The risk and ESG analysis teams draw up and maintain exclusion lists to prohibit the purchase of securities that pose a particularly high sustainability risk.In particular, issuers that are the subject of serious controversy may be placed under surveillance or banned for investment.

The Fund's exposure to sustainability risk is measured by a risk scale ranging from 1 to 5 (from negligible risk to severe risk), based on the level of the ISRD calculated for the Fund.At the date of publication hereof, the Management Company's analysis has determined that the Fund has exposure to level 2 sustainability risk, corresponding to a low risk.

Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "Taxonomy Regulation"), and amending Regulation (EU) 2019/2088 (the "Disclosure Regulation")

The Taxonomy Regulation sets out the criteria for determining whether an economic activity is considered environmentally and socially sustainable for the purpose of determining the degree of sustainability of an investment.

An economic activity is considered sustainable if:
- it contributes substantially to one or more environmental and/or social objectives;
- and does not cause significant harm to any of the said environmental and/or social objectives ("*do no significant harm*" or "DNSH" principle).

The six environmental objectives are: climate change mitigation; adaptation to climate change; sustainable use and protection of water and marine resources; transition to a circular economy; pollution prevention and control; and protection and restoration of biodiversity and ecosystems.

It is recalled that the objective of the Fund is sustainable investment within the meaning of Article 8 of the SFDR Regulation; it is subject to the information publication requirements of the aforementioned Article 8. In this context, the attention of investors is drawn to the fact that the “do no material harm” principle applies only to investments underlying the Fund that meet the European Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of the Fund do not take into account the European Union criteria for environmentally sustainable economic activities.

The Fund will invest a minimum of 0% of its portfolio in activities aligned with the European Taxonomy on climate change mitigation and adaptation. This percentage is a low alignment assumption based on the Management Company's estimates, which cannot be finalised at the time of writing and can only be finalised if the companies issuing the securities in the portfolio make the required technical standards available. In any case, as the level of transparency of issuers is expected to improve, the Management Company anticipates a gradual evolution of this level of alignment. Based on the estimated data currently available, which is not currently aligned with the regulatory requirements for equivalent data, the Fund could achieve a taxonomy alignment of 5%. This percentage does not represent a commitment and its achievement is not guaranteed.

The Management Company will announce no later than 30 December 2022 how the Fund views the negative impacts on the sustainability factors.

Pre-contractual information on sustainability, within the framework of this regulation (EU) 2019/2088 of 27 November 2019 known as the SFDR for "Sustainable Finance Disclosures Regulation", is available in a document in the appendix to this prospectus entitled "Pre-contractual information for financial products referred to in Article 8 of Regulation (EU) 2019/2088".

II PARTICIPANTS

II.1 MANAGEMENT COMPANY

MANDARINE GESTION
Société Anonyme - 40, Avenue George V - 75008 PARIS
Portfolio management company approved by the Autorité des marchés financiers (Financial Markets Authority) on 28 February 2008 under GP No. 0800 0008.

II.2 DEPOSITARY AND CUSTODIAN

BNP PARIBAS
A public limited company registered with the Registre du Commerce et des Sociétés (Trade and Companies Register) of Paris under number 662 042 449. A credit institution approved by the Autorité de Contrôle Prudentiel
Registered office: 16, Boulevard des Italiens - 75009 PARIS
Postal address: Grands Moulins de Pantin - 9, Rue du Débarcadère - 93500 PANTIN

As part of the Fund's liabilities management, the purchase, buy back and unit issuer account holding centralisation functions are carried out by the depositary in connection with Euroclear France, through whom the units are registered.

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

Directive 2009/65/EC, as amended by Directive 2014/91/EU, referred to as “UCITS 5”, specifies the responsibilities of UCITS depositaries.It entered into force on 18 March 2016.
The Depositary has three types of responsibilities: monitoring the compliance of the decisions of the Management Company (as defined in Article 22.3 of the Directive), monitoring UCITS cash flows (as defined in Article 22.4), and custody of UCITS assets (as defined in Article 22.5).All of these responsibilities are set out in a written contract between the Management Company, MANDARINE GESTION, and the Depositary, BNP PARIBAS.

The primary objective of the Depositary is to protect the interests of unitholders/investors in the UCITS, which always prevail over commercial interests.
Potential conflicts of interest may be identified, in particular if the Management Company also maintains commercial relations with BNP Paribas SA in parallel to its appointment as Depositary (which may be the case if BNP Paribas Securities Services calculates, by delegation of the Management Company, the NAV of the UCITS for which BNP Paribas is the Depositary, or when a group relationship exists between the Management Company and the Depositary).

To manage these situations, the Depositary has implemented and maintains a management policy for conflicts of interest with the following objectives:
- Identifying and analysing situations involving potential conflicts of interest
- Recording, managing and monitoring situations involving potential conflicts of interest:
  - based on permanent measures in place to manage conflicts of interest, such as segregation of duties, separation of hierarchical and functional lines, monitoring of internal insider lists, and dedicated IT environments;
  - by implementing on a case-by-case basis:
    - ✓ preventive and appropriate measures such as the creation of ad hoc watchlists, new Chinese walls, or verifying that transactions are properly processed and/or informing affected customers
    - ✓ or by refusing to manage activities that may give rise to conflicts of interest.

Description of any custodial functions delegated by the Depositary, list of delegates and sub-delegates and identifying conflicts of interest likely to arise from such delegation
The UCITS Depositary, BNP Paribas SA, is responsible for the custody of the assets (as defined in Article 22.5 of Directive 2009/65/EC, as amended by Directive 2014/91/EU).In order to provide services related to the safekeeping of assets in a large number of countries, enabling the UCITS to achieve their investment objectives, BNP Paribas SA has appointed sub-custodians in countries where BNP Paribas SA services has no 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-custodians 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 on the above-mentioned points will be sent to the investor upon request.

Establishment in charge of holding the issue account: BNP Paribas.

II.3 STATUTORY AUDITOR

DELOITTE & ASSOCIÉS
Represented by Olivier Galienne
185 C, avenue Charles de Gaulle
92200 Neuilly-sur-Seine

II.4 MARKETER

MANDARINE GESTION
40, Avenue George V - 75008 PARIS

The Fund is registered with Euroclear France and its units may be subscribed or redeemed through financial intermediaries who are not known to the management company.

II.5 CENTRALISING AGENT

- Centralising agent for subscription and redemption orders by delegation of the Management Company:

BNP PARIBAS
A public limited company registered with the Registre du Commerce et des Sociétés (Trade and Companies Register) of Paris under number 662 042 449. A credit institution approved by the Autorité de Contrôle Prudentiel
Registered office: 16, Boulevard des Italiens - 75009 PARIS
Postal address: Grands Moulins de Pantin, 9, rue du Débarcadère, 93500 PANTIN

II.6 APPOINTED REPRESENTATIVES

- Administrative management and accounting:

BNP PARIBAS
The delegation agreement covers the accounting management including the updating of the accounting, the NAV calculation, the preparation and presentation of the file required for the audit carried out by the statutory auditor and the keeping of accounting records.

III OPERATING AND MANAGEMENT PROCEDURES

III.1 GENERAL CHARACTERISTICS

III.1.1 Features of the units or shares

- ISIN codes:
  - R units: FR0010657122
  - I units: FR0010659797
  - M units: FR0010659805
  - F units: FR0013140084

- Type of rights attached to the unit category: each unitholder has a right of co-ownership of the Fund assets in proportion to the number of units held.

- Entry in a register or specification of the methods for managing liabilities by delegation of the management company: liabilities are managed byBNP PARIBAS.

- The Fund is registered with Euroclear France.

- Voting rights: no voting rights are attached to units, as decisions are taken by the Management Company.However, information on changes in the operation of the Fund is provided to the shareholders either personally, through the press or by any other means in accordance with the regulations.

- Form of units: all units are in bearer form.

- Decimalisation of units:

✓ YES ✗ NO

✓ Number of decimal places:

✗ tenths ✗ hundredths ✗ thousandths ✓ ten thousandths

III.1.2 Closing date

Last trading day of December.

III.1.3 Information on the tax system

The Fund itself is not subject to taxation.However, unitholders may incur taxation on any revenue distributed by the Fund, where paid, or when selling the securities.

The tax regime applicable to the amounts distributed by the Fund or any realised or unrealised capital gains or losses of the Fund depend on the tax provisions applicable to the investor's particular situation and their tax residency. Thus, certain revenue distributed in France by the Fund to non-residents is liable to withholding tax in this state.

Abroad (in the fund’s investment countries), capital gains realised on the sale of foreign transferable securities and income from foreign sources earned by the fund as part of its management may, where applicable, be subject to taxation (usually in the form of a withholding tax).Taxation abroad may, in certain limited cases, be reduced or nullified in the event of applicable tax agreements.

With regards to unitholders of the Fund:

- Unitholders residing in France: Capital gains or losses realised by the Fund, revenue distributed by the Fund and capital gains or losses recorded by the unitholder are subject to current tax legislation.

- Unitholders residing outside of France: Subject to tax agreements, the taxation provided for in Article 150-0 A of the CGI is not applicable to capital gains earned on the redemption or sale of units of the Fund by persons not fiscally resident in France under Article 4 B of the CGI or whose registered office is located outside of France, on condition that such persons have not held, directly or indirectly, more than 25% of the units at any time during the five years preceding the redemption or sale of their units (CGI Article 244a C).

Unitholders residing outside France shall be subject to the provisions of tax legislation in effect in their own country of residence.
Investors benefiting from the Fund as part of a life insurance contract shall be subject to taxation applicable to life insurance contracts.

TaxsysteminGermany:
The Fund is classed as an “Aktienfonds” under German tax law (§ 2(6) InvStG); investment in “Kapitalbeteiligungen” (“equity participations”) according to § 2(8) InvStG will continually exceed 50% of net assets.

N.B.: depending on your tax system, any capital gains and income associated with holding units in the Fund could be subject to taxation.We advise you to make inquiries about this with your tax adviser.

✓ Eligible for PEA (equity savings plan) ✗ DSK contract ✗ Madelin law ✗ PERP

III.2 SPECIAL PROVISIONS

III.2.1 ISIN codes

- R units : FR0010657122
- I units : FR0010659797
- M units : FR0010659805
- F units : FR0013140084

III.2.2 UCITS of UCITS or AIF:

Less than 10% of the net assets.

III.2.3 Management objective

The Fund's objective is to outperform the**CAC All Tradable NR** index over the recommended investment period, by using an active stock picking strategy to select French companies (or companies listed in France) which positively satisfy the **ESG *(Best in Universe approach)*** criteria, with above-average growth profiles, based on the Management Company’s analysis.

The Fund takes sustainability risks and ESG characteristics into account in its selection process.In this regard, the Fund promotes environmental or social characteristics within the meaning of Article 8 of the SFDR Regulation.The Fund is subject to a sustainability risk as defined in the risk profile of the prospectus.

Although the Fund may invest in environmentally sustainable economic activities within the meaning of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to promote sustainable investment and amending Regulation (EU) 2019/2088 (the “Taxonomy Regulation”), it does not currently have a specific environmental objective and does not commit to investing in sustainable investments that are aligned with the criteria of the Taxonomy Regulation.

III.2.4 Benchmark index

The Fund's performance is compared to the performance of the **CAC All Tradable NR***(hereinafter referred to as the “**Index**”)*.This is the global benchmark for the French market.The benchmark index is denominated in euros.

Codes: ISIN: FR QS0011131883 Reuters: CACTN; Bloomberg: SBF250NT;

The performance of the CAC All Tradable NR benchmark includes dividends from the equities that comprise the Index.
For further information on the characteristics and composition of this Index, please consult the website of the Index Producer, EURONEXT*(hereinafter referred to as the “**Administrator**”)* (www.euronext.com) by clicking on the following link:
https://www.euronext.com/fr/products/indices/QS0011131883-XPAR
Information according to Q&A ESMA 34-43-362 “Actively Managed Fund”

The Fund is actively managed.
The Fund therefore does not aim to replicate the performance of the Index or its sector allocation in any form whatsoever.It makes investments based on criteria that may lead to significant deviations from the performance of this Index and its breakdown.Investments in companies are made on the basis of weightings that are not based on the relative weighting of each company in the index.

Information concerning the benchmark index used by the Fund is provided in accordance with the provisions of EU Regulation 2016/1011.

In accordance with Article 52 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/45/EU and 2014/17/EU and Regulation (EU) No 596/2014 (hereinafter referred to as the "*Benchmark Regulation*" or "***BMR***"), because the Management Company uses benchmark indices within the meaning of the BMR regulation, it is required, as a "User" of benchmark references:

- (i) to ensure that the benchmark indices it uses within the European Union are supplied by administrators that are legally authorised or registered with the European Union as benchmark index Administrators, including the Administrator (Article 29); or to ensure that those originating from third countries respect the principle of equivalence and the regulatory requirements (Article 30-33);
- (ii) to establish a suitable monitoring procedure for benchmark indices allowing it to substitute a new index in the event that one or more of the benchmark indices that it uses, including that of the index provided by the Administrator, should be substantially modified or cease to be published (Article 28).

On the date of the latest update to this Prospectus, which is the date appearing on the first page, the Administrator has obtained a registration under Article 34 and is therefore listed in the registry of administrators (publication of administrators) and indices (publication of benchmarks) maintained by ESMA (hereinafter referred to as the "***Benchmark Register - List of EU benchmark administrators and third country benchmarks***").

For information, please go to the ESMA website and view "***Benchmark Administrators***" (https://www.esma.europa.eu/databases-library/registers-and-data) on the one hand, the list of "EU & EEA benchmark administrators", in other words and more specifically the list of administrators located in the European Union who have been authorised or registered (in accordance with Article 34), the administrators fulfilling the conditions provided for in Article 30(1) of the same Regulation, and on the other hand the list of "third country benchmarks", in other words the list of administrators located outside the European Union (Article 30(1c)).

In accordance with Article 28.2 of the BMR Regulation, the Management Company has a monitoring procedure for the benchmark indices used describing the measures to implement in the case of substantial modifications made to an index or in the event that this index is no longer available.

Information concerning the benchmark index used by the Fund is provided in accordance with the provisions of Regulation (EU) 2019/2088, the "Disclosure Regulation"

The attention of unitholders is drawn to the fact that the Index does not take into account environmental, social or governance issues.The index is not an*"EU Paris-Aligned and Climate Transition-Benchmark".*

III.2.5 Information to be communicated to UCI investors on the management style

In accordance with Commission Regulation (EU) No 583/2010 (the "UCITS regulation"), as specified in particular by the answer to question 8 of section II of the ESMA Q&A relating thereto and the "Details of the information to be transmitted to investors of UCIs referring to a benchmark index" published by the AMF (October 2019 version), it is specified that the Fund's strategy is an active strategy, i.e. the management objective is in no way to replicate the performance of any index.

In addition, although the Fund is managed – for comparison purposes only – with reference to the CAC All Tradable NR index, it is not subject to any management constraint aimed at significantly limiting the difference it can have with this index, either in terms of portfolio composition (investment universe, sector allocation) or in terms of deviation of the Fund's performance compared to the index (Tracking Error).
In order to allow the Unitholders to assess how the Fund is actively managed in relation to its benchmark indicator, holders may refer to the information as contained in the monthly reports of the fund and the annual report and indicators of ex-post measurement (Fund volatility, Index volatility, Tracking Error, Sharp ratio, information ratio, etc.).

III.2.6 Investment strategy

III.2.6.1. Strategy used

The Fund's investment strategy is to be dynamically exposed to the French equities markets.

To reconcile the quest for performance with the development of socially responsible practices, the ESG criteria are considered according to a ***"Best in Universe" approach.***

The ***Best in Universe*** approach is a type of **ESG selection** that prioritises, within the investment universe, the best-rated issuers from an extra-financial perspective**,** regardless of their **sector of activity.**

The ESG process for the selection of securities is based on the collection of non-financial information about the securities in the Fund's investment universe.

Mandarine Gestion's ESG expertise unit attributes extra-financial scores to the securities.The extra-financial analysis results in a 5-step ESG score from A (best score) to E (worst score).Issuers with the most unfavourable ESG score ("E" score) are excluded from the Fund's investment universe, thereby establishing a list of securities in which the Manager may invest.

The use of this selection process results in a 20% reduction in the ESG investable universe.

Extra-financial scores may go up or down over time.They are reviewed at most every 12 months.They may lead to investment or divestment decisions.

Under the law, companies involved in the production or distribution of anti-personnel mines and cluster munitions prohibited by the Ottawa and Oslo Conventions are also excluded.

The fund may invest up to a maximum of 10% in assets that have not been subject to ESG analysis.

The portion of ESG-rated issuers in the Fund's portfolio *(excluding public debt and cash)* will exceed 90% in the long term.

The ESG investment strategy has the potential to create sector bias in relation to both the investable universe and the Index.

- **ESG extra-financial selection process:**

In order to select the Fund's eligible securities within the investment universe and thus reconcile the quest for performance with the development of socially responsible practices, the management team uses financial analysis combined with restrictive non-financial screening based on **ESG** criteria. The ESG unit administers and updates ESG ratings in the Management Company's proprietary tool, Mandarine-ESG view®.

In order to enable ESG integration, ESG analysis is based on the collection, cross-referencing and appropriation of qualitative and quantitative non-financial information from multiple sources to allow for original hedging:

- reporting and CSR reports of issuers, companies in fact have an obligation to publish an Extra-Financial Performance Report *(EFPR)*.The EFPR is a real lever for strategic management of companies and is verified by an independent third party;
- meetings with issuers, management and stakeholders *(NGOs, unions, study reports, etc.);*
- the reports and analyses of brokers and extra-financial rating agencies.

Mandarine Gestion's ESG expertise unit then attributes non-financial scores to the issuers on:

- the environment (*environmental policy, carbon impact and emissions, energy mix, biodiversity policy, etc.*);
- corporate governance (*composition and functioning of the Board and the Executive Committee, integration of acquisitions, organisation of succession, skills, diversity, responsible restructuring and social dialogue, reputation and ethical controversies*, etc.);
- customer-supplier relationship (*quality, customer-centricity, quality of the offer and customer service controversies*
- *responsible purchasing policy, monitoring of the supply chain, social and environmental controversies, etc.*);
- civil society (*stakeholder management, collaboration with NGOs, social impact of the activity, local content, controversies, etc.*);
- human rights (*human rights policy, formalised commitment, follow-up to UN and Ruggie principles, controversies, etc.*)*;*

- human resources (*turnover, accidentology, training and career monitoring, management and organisation model, diversity of the workforce, employee shareholding and involvement, etc.*).

Methodological limits of the ESG approach:

By using ESG criteria in the investment policy, the objective of the Fund concerned is particularly to be able to manage sustainability risk and to generate sustainable and long-term returns.ESG criteria can be generated using proprietary models, third-party models and data, or a combination of both.The assessment criteria may change over time or vary depending on the sector or industry in which the relevant issuer operates.
Company ESG/SRI analysis implemented by the Management Company is based on a qualitative analysis of the environmental, social and governance practices of these stakeholders.A number of limitations can be identified in relation to the management company's methodology but also more broadly to the quality of the information available on these subjects (freshness, exhaustiveness, completeness, accuracy, etc).Indeed, the analysis is largely based on qualitative and quantitative data provided by the companies themselves and from external suppliers. It is therefore dependent on the quality of this information.Although constantly improving, companies' ESG reports are still patchy and discordant.Finally, although the Management Company's analysis methodology aims to include forward-looking elements to ensure the environmental and social quality of the companies in which the Fund invests, anticipating the occurrence of controversies remains an exercise that is difficult to predict, and may lead the Management Company to revise its opinion on the ESG quality of an issuer in the portfolio after the fact.The Best-in-Universe approach is based on a subjective analysis of ESG criteria.The judgements and assessments of the Management Company based on the results of its analyses cannot be free of cognitive bias and the heuristic assumptions of its managers and analysts.The Management Company's opinion on issuers may therefore vary over time.

The application of ESG criteria to the investment process may lead the Management Company to invest or exclude securities for non-financial reasons, regardless of the market opportunities available.ESG data received from third parties may be incomplete, inaccurate or unavailable from time to time.As a result, there is a risk that the Management Company may incorrectly assess a security or an issuer, resulting in the incorrect direct or indirect inclusion or exclusion of a security in a Fund's portfolio.

• Financial selection process
The non-financial selection process is coupled with a financial analysis process geared towards the selection of growing companies, according to the Management Company's analysis.This analysis identifies three main types of company:

- established companies, which the management company considers to have some visibility of growth;
- companies in transition, for which the management company anticipates growth in profitability; and
- companies with potential, for which the management company anticipates a growth in turnover.

The investment strategy consists of applying active management on the basis of an essentially*bottom up*approach, with the addition of*top down*adjustments through the discretionary selection of companies with above-average earnings outlooks, owing either to steady growth, restructuring or a business turnaround.

The*bottom up*approach consists of studying company fundamentals.Therefore, the securities selection process will be implemented by analysing:

- the competitive positioning and competitive advantages of the company (positioning of the company in its sector, quality of the management teams and expertise of employees);
- the quality of the financial structure (study of traditional financial analysis ratios, dividend capacity, growth prospects, etc.);
- future prospects (organic growth, possibility of restructuring, potential for external growth, likely developments in ownership, etc.).

This analysis will allow the Fund Manager to adapt the portfolio composition to changes in the French equity markets.

The*top down*analysis will supplement the active stock-picking by enabling adjustments.To this end, the fund manager will conduct an overall review of the benchmark market in order to benefit from sector-related and/or geographical opportunities by analysing:

- the general economic conditions, both nationally and internationally (changes in interest and/or commodity rates, etc.);
- a particular sector (concentration, new entrants, trend studies, buying behaviour, etc.);
- a company in the sector (positioning of the company in its sector, quality of the management teams and expertise of employees, etc.).

Based on these analyses, the fund manager may diversify into other asset classes (as described below) if they anticipate that the main driver of performance (equity markets) will not allow them to achieve their investment objective.They could decide to invest in the bond markets (directly or via UCITS or AIF up to a limit of 10% of the assets) or other markets through UCITS or AIF.

This type of management is discretionary and conviction-driven, allowing a high degree of autonomy in selecting investments from within the investable universe.

III.2.6.2. In categories of assets and financial contracts in which the Fund intends to invest

III.2.6.2.1. In assets (excluding integrated derivatives)

The Fund's portfolio consists of the following categories of asset and financial instruments:

- **Shares**

At least 75% of the Fund's assets are invested in equities that are French and/or listed in France.The fund may invest in markets other than the French market up to a limit of 25%, including those qualified as emerging markets (max 10%).
The overall equity exposure will be between 60% and 105% of the Fund's net assets.
Due to its eligibility for the PEA tax system, the Fund invests at least 75% of its net assets in PEA-eligible securities.

Opportunistic investments will be made at the discretion of the fund manager, without any constraints of sector or market capitalisation.Only the potential for appreciation determines the selection and weighting of investments in the portfolio.

Besides the shares that constitute at least 75% of the Fund's assets, the following assets are likely to be included in the portfolio, up to a maximum of 25% of the net assets:

- **Debt securities and money market instruments**

As part of the cash management of the Fund, the fund manager may use bonds, convertible bonds, debt securities and money market instruments.
The distribution of private/public debt is not determined in advance, as it will be based on the market opportunities.Similarly, the manager will determine the duration and sensitivity of the bonds they hold in the portfolio based on investment objectives and market opportunities. These will be bonds and medium-term negotiable securities*(NEU MTN Negotiable EUropean Medium Term Note) and short-term negotiable securities (NEU CP Negotiable EUropean Commercial Paper)* issued by an OECD State denominated in euro, OECD bonds and negotiable debt securities (private debt) denominated in euros. Where debt securities have a rating, they will, where applicable, have a Standard & Poor's Investment Grade rating – or an equivalent rating by another rating agency at the time of their investment or their credit quality as estimated by the management company must correspond to this level.

- UCITS, AIF, investment funds and trackers or Exchange Traded Funds (ETF)

In order to manage cash or access markets or specific management styles (sector-based or geographical etc.), the Fund may invest up to 10% of its net assets in UCITS or AIF.The Fund may invest in UCITS or AIF managed by Mandarine Gestion.
Investments will be made within the regulatory limits in:

- French or foreign UCITS (UCITS);
- alternative investment funds (AIFs).

The Fund may invest in trackers, listed index-linked funds and Exchange Traded Funds on an ad hoc basis.

III.2.6.2.2. Derivative instruments

The Fund may invest in financial futures (traded on regulated and organised markets, in France and abroad and/or OTC) within the limits laid down by the regulations.

In this context, the Fund Manager may take positions to offset fluctuations in the market: Fund transactions may therefore consist of:

- measures for hedging the portfolio's equity risk or exposure of the portfolio to industrial sectors, shares, currencies or market indices through the use of instruments such as futures or options contracts.

Furthermore, transactions may be entered into on the OTC markets as part of treasury management or currency transactions.

The Fund may use derivatives up to a limit of 100% of net assets. The use of derivatives will be within the total limit of exposure to the equity market of 105% of assets.
Total return swaps: The Fund will not use Total Return Swaps (TRS).

III.2.6.2.3. Embedded derivatives (warrants, credit linked notes, EMTNs, subscription warrants, etc.)

Nature of the instruments used: Essentially warrants, subscription warrants, and any type of bond to which a conversion or subscription right is attached. In particular, the Fund may invest in securities with exposure to equities (convertible bonds, bonds exchangeable or redeemable in shares).

Strategy for using embedded derivatives to achieve the investment objective: Transactions involving embedded derivatives are of the same nature as those for derivative instruments. The use of embedded derivatives is subject to their potential benefits in terms of cost/ efficiency or liquidity.The Fund may use up to a limit of 25% of the net assets on embedded derivatives.

III.2.6.2.4. Deposits

The Fund may make deposits with a maximum term of 12 months with one or more credit institutions.The aim of these deposits is to contribute to the cash holdings.Deposits denominated in euro or other currencies shall adhere to the four conditions of the Monetary and Financial Code and can account for up to 25% of assets.

III.2.6.2.5. Cash loans

In the course of normal business, the Fund may occasionally find itself in debt and may make use of cash loans in this case, up to a limit of 10% of its assets.

III.2.6.2.6. Temporary purchases and sales of securities

Not applicable.

III.2.6.2.7. For contracts constituting financial guarantees

Not applicable

III.2.6.3. Risk profile

Your money will primarily be invested in financial instruments selected by the Management Company.These instruments will be exposed to market trends and risks.The list of risk factors set out below is not exhaustive.

The Fund is a UCITS and is mainly invested in the French market.As such, investors are primarily exposed to the following risks:

Risk of capital loss:
Investors should be aware that the performance of the Fund may not be in line with its objectives and, because the Fund is not capital protected or guaranteed, investors may not recover the full amount of their invested capital.

Equity market risk:
At least 75% of the Fund's net assets are invested on one or more equity markets that could experience substantial fluctuations.The equity risk involved corresponds to downturns in the equity markets. The Fund is exposed to equities, which means the net asset value may drop significantly.If the equity markets fall, the value of the portfolio may decline.

Risks linked to investments in small and mid-cap securities:

Given its management orientation, the Fund may be exposed to small and mid-cap securities, which may carry liquidity risk owing to their specific characteristics.Due to the restricted nature of the market, the performance of such securities is more pronounced and may rise or fall sharply. This may result in an increase in the volatility of the net asset value.Investments in small-cap companies will represent only a minor portion of investments.

Convertible bond risk: Convertible bonds, which may be included in the composition of the Fund, may fluctuate depending on the evolution of the share price attached to them via the value of the conversion / exchange option.Investors are therefore reminded that this equity risk may result in a decrease in the Fund's net asset value.

Interest rate risk:

Given its management orientation, the Fund may be exposed to interest rate risk. Interest rate risk is represented by fluctuations in the yield curve.The interest rate markets move in the opposite direction of interest rates.This risk arises from the fact that, in general, the price of debt securities and bonds falls when interest rates rise.

Credit risk:

Credit risk is the risk that the issuer cannot meet its commitments.Credit risk is limited to debt securities and money-market instruments, which may not make up more than a maximum of 25% of the net assets.Investors are reminded that this risk may result in a decrease in the fund's net asset value.

Discretionary management risk:

The discretionary management style applied by the Fund is based on the selection of securities and on the expectations of the different markets.There is a risk that the Fund may not be invested in the best-performing securities at all times.

As a result, the Fund's performance may be lower than the investment objective.Furthermore, the net asset value of the Fund may decline.Performance largely depends on the Fund Manager's ability to anticipate market movements.

Political risk:

This is any risk associated with a political or geopolitical situation, a decision or a lack of decision by the political authorities or national, transnational or supranational administrative authorities: nationalisation without sufficient compensation, embargoes, protectionist measures, exclusion of certain markets, discriminatory taxation, resulting in lasting damage to public order and economic stability: revolution, civil war, etc. If such inherently unpredictable events occur, there can be very significant financial consequences.

Sustainability risk:

An environmental, social or governance event or situation that, if it occurs, could have a material adverse effect – actual or potential – on the value of the investment. The occurrence of such an event or situation may also lead to a change in the Fund's investment strategy, including the exclusion of securities of certain issuers. More specifically, the negative effects of sustainability risks can affect issuers through a series of mechanisms, including: 1) lower revenues; 2) higher costs; 3) damage or impairment of the value of assets; 4) higher cost of capital; and 5) fines or regulatory risks. Due to the nature of sustainability risks and specific topics such as climate change, the likelihood of sustainability risks impacting financial product returns is likely to increase in the longer term.

Risks associated with consideration of sustainability risk:

Currently, there is no universally recognized framework or list of factors to be taken into account to ensure that investments are sustainable, and the legal and regulatory framework governing sustainable finance is still under development. Theapplication of ESG criteria to the investment process when considering sustainability risks may exclude securities of certain issuers for non-financial reasons, which may involve passing over certain market opportunities available to other funds that do not use ESG or sustainability criteria. The focus of the fund manager on issuers of securities that have sustainable features may affect the investment performance of a sustainable fund and lead to a return which, at times, will be lower than that of similar funds which do not have a sustainable approach or which apply non-financial criteria.The sustainable or non-financial characteristics used in a fund's investment policy may prevent it from buying certain securities which, in other circumstances, would offer advantages, and/or from selling securities because of their sustainable characteristics despite the harm that could thereby result.In the short term, a focus on securities from issuers with sustainable characteristics could positively or negatively affect the performance of the Fund's investments compared to similar funds without this focus.In the long term, this approach should have a favourable effect, but no guarantee is given in this regard.

The ESG information available, whether it comes from third-party data providers or the issuers themselves, may be incomplete, inaccurate, patchy, or unavailable, which can have a negative impact on a portfolio that relies on this data to assess the appropriate

inclusion or exclusion of a security.In addition, it is possible that a security or a stock could be incorrectly valued.The sustainable finance approach will have to evolve and develop over time, both due to the refinement of investment decision-making processes aimed at taking ESG factors and risks into account, and due to legal and regulatory developments.
No statement has been made and no warranty has been given regarding the impartiality, accuracy, completeness or coverage of the sustainable or extra-financial features.

To a lesser extent, they are also exposed to the following risks:

Emerging markets risk:
The market practices and monitoring measures in the emerging markets may deviate from the standards prevailing on the large international markets: information on certain securities may be incomplete and liquidity may be lower.The performance of these securities may therefore be volatile.If the securities of the emerging markets fall, the net asset value of the Fund may fall.

Counterparty risk:
The Fund is exposed to the counterparty risk that results from the use of financial futures.Contracts for these financial instruments may be concluded with one or more credit institution(s) that is/are not able to honour their commitments under these instruments.Investors are reminded that this risk may result in a decrease in the Fund's net asset value.

Exchange-rate risk:
This is the risk that fluctuations in foreign currencies could affect the value of securities held in the portfolio.The Fund may hold, either directly or via UCITS or AIF, securities denominated in a currency other than the Fund's designated currency. Therefore, fluctuations in exchange rates could result in a lower net asset value.The exchange risk may be hedged through derivatives.

Guarantee and protection:
The Fund does not offer any guarantee or capital protection of any kind or type whatsoever.The Fund will thus monitor both upward and downward movements in the markets for the financial instruments used in the portfolio, which may result in it not returning the capital initially invested.

III.2.6.4. Target investors and typical investor profile

- I and M units: in particular, institutional and similar clients.
- R units: all investors.
- F units: units reserved for all investors and, in the context of subscription or distribution within the European Union, that are intended solely for:
    - Financial intermediaries who are not authorised, under the applicable regulations, to receive and/or hold on to any commissions or non-monetary benefits; or
    - (b) Subscribers subscribing to portfolio management services on behalf of third parties (management by mandate) and/or independently provided investment consulting within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments within the European Union;
    - () Subscribers subscribing in the context of investment advice not considered to be independent within the meaning of the MiFID II Directive on the basis of a contract with their customer, and/or where such a distributor neither receives nor holds on to any commission or other non-monetary benefit within the meaning of the MiFID II Directive.

This Fund is open to any investor seeking a dynamic return who agrees to be exposed to significant equity risk. The appropriate amount to be invested in the Fund depends on each investor's personal situation.To determine this, investors must take into account their personal assets, their current and future needs, investment horizon, and also their willingness to take risks or opt instead for a more cautious investment.Investors are also strongly advised to diversify their investments in order to avoid exclusive exposure to the risks of this Fund.

Recommended investment period: over 5 years

Special warning "US Person" US SEC Regulation S (Part 230 – 17 CFR 2330.903):

The fund’s units have not been registered under the US Securities Act of 1933.Consequently, they may not be offered or sold, directly or indirectly, on behalf of or for the benefit of a "US person" as defined by the US "Regulation S". The definition of "US Person(s)" as defined by SEC Regulation S (Part 230 - 17 CFR 230.903) is available at http://www.sec.gov/about/laws/secrulesregs.htm or under the "FATCA" Foreign Account Tax Compliance Act http://www.irs.gov/Businesses/Corporations/Foreign-Account-Tax-Compliance-Act-FATCA.

Any resale or disposal of units in the United States of America or to a "USPerson" may constitute a violation of US law and requires the prior written consent of the Fund's management company). Any persons wishing to acquire or subscribe to the Units will have to certify in writing that they are not "USPersons".

The Fund's management company has the power to impose restrictions (i) on the holding of Units by a "USPerson" and thus carry out the compulsory redemption of the Units held, or (ii) the transfer of Units to a "USPerson". This authority also extends to any person (a) who appears, directly or indirectly, to be in violation of the laws and regulations of any country or any government authority, or (b) who could, in the mutual fund's management company's opinion, cause the mutual fund to suffer damages that it would not otherwise have endured or suffered.

The offer of Units has not been authorised or rejected by the SEC, the specialised commission of a US State or any other US regulatory body, nor have the aforementioned authorities delivered a verdict or sanctioned the merits of this offer, or the accuracy or adequate nature of the documents relating to this offer.Any assertion to this effect is against the law.
Any unitholder must inform the mutual fund immediately in the event that they become a "USPerson". Any unitholder who becomes a USPerson will no longer be authorised to acquire new Units and they may be requested to give up their Units at any time to the benefit of persons who do not qualify as a "USPerson". The Fund's management company reserves the right to compulsorily redeem any Unit held directly or indirectly by a "USPerson", or if the ownership of Units by any person is contrary to the law or the interests of the Fund.

III.2.6.5. Methods of determining and allocating amounts available for distribution

Capitalisation.
- Net result: capitalisation
- Net capital gains: capitalisation

Accounting based on the coupons received method.

III.2.6.6. Characteristics of the units or shares (currency denomination, division, etc.)

	R units	I units	F units	M units
ISIN code	**FR0010657122**	**FR0010659797**	**FR0013140084**	**FR0010659805**
Allocation of the distributable sums	Capitalisation			
Currency denomination	EUR			
Target investors	All investors	All investors, including institutional and equivalent investors	All investors (2)	Institutional and equivalent investors
Minimum initial subscription	EUR 50	EUR 500,000 (1)	EUR 50	EUR 40,000,000 (1)
Minimum subsequent subscription	Ten thousandth of a unit			
Initial net asset value	EUR 500	EUR 5,000	EUR 500	EUR 50,000
Decimalisation	Yes, ten thousandths			

(1) except the Management Company, which takes out only one unit.

(2) F units: shares reserved for all investors and, in the context of subscription or distribution within the European Union, that are intended solely for:

(a) Financial intermediaries who are not authorised, under the applicable regulations, to receive and/or hold on to any commissions or non-monetary benefits; or

(b) Subscribers subscribing to portfolio management services on behalf of third parties (management by mandate) and/or independently provided investment consulting within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments within the European Union (the MiFID II Directive);

(c) Subscribers subscribing in the context of investment advice not considered to be independent within the meaning of the MiFID II Directive on the basis of a contract with their customer, and/or where such a distributor neither receives nor holds on to any commission or other non-monetary benefit within the meaning of the MiFID II Directive.

III.2.6.7. Subscription and redemption methods

Subscription and redemption requests are processed on every valuation day until 1 p.m. Paris time*(cut-off time)*via the centralising agent and are executed on the basis of the next net asset value, i.e. at an unknown price.Payments relating thereto are made on the second trading day following the net asset value date.

Option of subscribing to or redeeming units of the Fund by amount and/or fractions of units (ten thousandths).

• Centralising agent: designated for processing subscriptions and redemptions:
BNP PARIBAS
Registered office: 16, Boulevard des Italiens - 75009 PARIS .
Postal address: Grands Moulins 5, Rue du Débarcadère - 93731 PANTIN Cedex.

• Pre-centralisation: Regional transfer agent in Luxembourg *(hereinafter referred to as the "**Regional Transfer Agent**")*:
BNP PARIBAS - Luxembourg branch
Registered office: 60, Avenue J-F Kennedy L-1855 Luxembourg – Grand Duchy of Luxembourg.

Subscription requests sent to the*Regional Transfer Agent*must be pre-centralised two hours before the cut-off time mentioned above.

Date and frequency of the net asset value calculation: daily.The net asset value is calculated every business trading day of the French financial markets (Euronext Paris S.A. official calendar).
The net asset value of the Fund is available on request from:
- MANDARINE GESTION - 40, Avenue George V - 75008 Paris;
- or at the following email address: serviceclient@mandarine-gestion.com.

The net asset value is also available on the website:www.mandarine-gestion.com.

Investors wishing to purchase Units and holders wishing to redeem Units are invited to contact their account holding institution regarding the cut-off time for processing their investment or redemption request. The latter may be before the centralisation cut-off time mentioned above.

Subscription and redemption transactions resulting from a request transmitted after the time specified in the Prospectus (*late trading*) are prohibited.

Pursuant to Article L. 214-8-7 of the Monetary and Financial Code, both the redemption by the Fund of its units and the issue of new units may be suspended temporarily by the Management Company if required by exceptional circumstances and if this is in the interests of the unitholders.

• **Orders are executed in accordance with the table below:**

T (working day) in Paris (Valuation Day)	T (working day) in Paris (Valuation Day)	T: day on which the NAV is established	T+1 trading day	T+2 trading day	T+2 trading day
Centralisation before 1 p.m. for subscription orders[1]	Centralisation before 1 p.m. for redemption orders[1]	Execution of the order on T at the latest	Publication of the net asset value (dated Valuation Day)	Payment of subscriptions	Payment of redemptions

[1]*Excluding any specific delay agreed with your financial institution.*

Pre-processing with the Regional Transfer Agent before 11 a.m. for subscription and redemption orders on trading days in Luxembourg and Paris, which is 2 hours before Centralisation.

Time zone: CET (Central European Time) Standardised time UTC/GMT + 1 hour – CEST (Central European Summer Time) UTC/GMT +2

- **Terms of switching from one unit to another:**

The Fund offers several categories of units.However, switching from one unit category to another involves redeeming units held before subscribing to the new units.This transaction involves the sale of a costly security which may constitute a taxable capital gain.

- **Period between the processing date of a subscription or redemption order and the date on which payment is carried out:**

Where the cut-off time is respected, the delay between the processing date of the subscription or redemption order and the date of payment of this order by the depositary to the unitholder is 2 days.

Where orders are sent after the *cut-off time*, at 2 p.m. for example, they shall be considered as having been processed the following day.

If, during the aforementioned period, this process is broken up by one or more national holidays, the period shall be delayed by as many days.

Temporary redemption cap mechanism ("Gates"):
Description of the mechanism:
In exceptional circumstances and to uphold the interests of unitholders, the Management Company may temporarily cap unit redemptions in order to spread redemption requests from the Fund's unitholders over several net asset values on condition that they exceed a certain determined level which has been set objectively.

The redemption cap mechanism may be triggered when redemption requests exceed a threshold of 5% (redemptions net of subscriptions and at the last known net asset).

It is specified that this mechanism will not be triggered systematically. Indeed, if the liquidity conditions allow it, the Management Company may decide to honour redemptions beyond this threshold and thus partially or totally execute orders that could be blocked.

This temporary cap on redemptions would be staggered, in any case, over a maximum number of twenty (20) net asset values over a period of three (3) months.

The unexecuted part of the order cannot, under any circumstances, be cancelled and is automatically carried forward to the next centralisation date and will not have priority over new orders. Subscription and redemption operations, for the same number of units, on the basis of the same net asset value and for the same holder or beneficial owner (known as round-trip transactions) are not affected by the redemption capping mechanism.

- **Description of the method used:**

Fund holders are reminded that the trigger threshold for the redemption cap mechanism corresponds to the ratio between:
- the difference recorded, on the same centralisation date, between the number of units of the Fund for which redemption is requested or the total amount of such redemptions, and the number of units of the Fund for which subscription is requested or the total amount of such subscriptions; and
- the net assets or the total number of Fund units.

As the Fund has several categories of units, the trigger threshold for this mechanism will be the same for all categories of Fund units.
The threshold above which the cap on redemptions will be triggered is justified by the frequency of calculation of the net asset value of the Fund, its management orientation and the liquidity of the assets it holds. The latter is specified in the regulations of the UCI and applies to centralised redemptions for all of the assets of the UCI and not specifically according to the categories of units of the UCI.

Procedures for informing holders:
In the event that the redemption cap mechanism is activated, all Fund holders will be informed by any means, through the website of the Management Company (www.mandarine-gestion.com).

Fund holders whose orders have not been executed will be specifically informed as soon as possible. As this Fund is admitted to Euroclear France (CSD), they will be informed via their custodian in the Fund's register.

• **Processing of non-executed orders:**
These orders will automatically be carried over to the next net asset value and will not have priority over new redemption orders placed for execution on the next net asset value. In any event, unexecuted and automatically deferred redemption orders may not be revoked by the Fund holders concerned.

Swing *pricing mechanism* or adjustable rights.

The Fund has not provided for any *swing price* or adjustable rights mechanism.

III.2.6.8. Fees and commissions

The subscription and redemption fees are added to the subscription price paid by the investor or are deducted from the redemption price. The fees paid to the Fund are used to offset the costs incurred by the Fund in investing or divesting the entrusted assets. Unallocated fees are paid to the management company or marketers.

<table>
<tr><th>Fees charged to the investor levied on subscriptions and redemptions</th><th>Base</th><th>Rate/scale
I & R units</th><th>Rate/scale
M units</th><th>Rate/scale
F units</th></tr>
<tr><td>Maximum subscription fee not paid to the Fund</td><td rowspan="4">Net asset value
X
Number of units</td><td colspan="3">2%
Maximum</td></tr>
<tr><td>Subscription fee paid to the Fund</td><td colspan="3">None</td></tr>
<tr><td>Redemption fee not paid to the Fund</td><td>None</td><td>2%
Maximum</td><td>None</td></tr>
<tr><td>Redemption fee paid to the Fund</td><td colspan="3">None</td></tr>
</table>

<u>Operating and management fees</u>

These fees cover all costs charged directly to the Fund, apart from transaction fees.

Transaction fees include intermediation fees (brokerage, stock market tax, etc.) and any turnover fees (see table below "fees charged to the Fund").

In addition to operating and management charges, there may also be:
- outperformance fees.These are paid to the management company when the fund exceeds its objectives.They are therefore charged to the Fund.
- Turnover fees charged to the Fund.

<table>
<tr><th colspan="2">Fees invoiced to the Fund</th><th>Base</th><th>Rate/Scale
I units</th><th>Rate/Scale
R units</th><th>Rate/Scale
F units</th><th>Rate/Scale
M units</th></tr>
<tr><td rowspan="2">1</td><td>Maximum financial management fees</td><td rowspan="2">Net assets</td><td rowspan="2">0.90% inclusive of all taxes</td><td rowspan="2">2.20% inclusive of all taxes</td><td rowspan="2">1.10% inclusive of all taxes</td><td rowspan="2">0.60% inclusive of all taxes</td></tr>
<tr><td>Operating expenses and other services</td></tr>
<tr><td>2</td><td>Maximum indirect fees
(Commissions and management fees)</td><td>Net assets</td><td colspan="4">- (*)</td></tr>
<tr><td rowspan="2">3</td><td>Maximum turnover fees paid to the management company</td><td>Transaction amount</td><td colspan="4">0 to 0.15% inclusive of all taxes on the gross amount of the trade</td></tr>
<tr><td>Maximum turnover fees paid to the depositary/custodian (2)</td><td>Fixed fee per transaction</td><td colspan="4">€0 to €115 inclusive of all taxes</td></tr>
<tr><td>4</td><td>Outperformance fee (1)</td><td>Net assets</td><td colspan="4">15% of any outperformance over the CAC All Tradable NR</td></tr>
</table>

(*) UCITS of UCITS or AIF: less than 10%

(1) The outperformance fee will be calculated as follows:

The performance fee corresponds to variable fees and is contingent on the Fund's performance of a positive performance over the financial year and a performance and outperformance of its benchmark index over the observation period. The performance fee is calculated independently for each unit class of the Fund.

Calculation method
The amount of the performance fee is calculated based on a comparison between the performance of the Fund and that of a notional UCI that achieves the performance of its benchmark and has the same subscription and redemption pattern as the actual Fund.
The outperformance generated by the Fund on a given date is defined as the difference between the net assets of the Fund and the assets of the notional fund on the same date.

Provisioning
Each time the net asset value (NAV) is established, the outperformance fee is subject to a provision (of 15% of the outperformance above the CAC All Tradable NR index – dividends reinvested ISIN code: QS0011131883)) if the Fund's performance exceeds that of the notional UCI over the observation period, or to a reversal of the provision limited to the existing allocation in case of underperformance.

Catching up on underperformance and reference period
The reference period is the period during which performance is measured and compared to that of the benchmark index, following which the compensation mechanism for past underperformance (or negative performance) can be reset.
This period is fixed at five years.

Condition of positivity
A provision cannot be made and a fee can only be collected if the fund's performance is strictly positive over the year (NAV greater than the NAV at the start of the year).

Crystallisation
The crystallisation period, i.e. the frequency with which the accrued outperformance fee, if any, must be paid to the management company, is twelve months.
The initial crystallisation period will end on the last day of the financial year ending on 31 December 2022.

Observation period
The initial observation period will start with a duration of 12 months starting at the beginning of 2022.

At the end of a crystallisation period, one of the following three situations may arise:

- The Fund posts an underperformance over the observation period.In this case, no provision is taken, and the observation period is extended by one year, up to a maximum of five years (reference period).
• The Fund outperforms over the observation period but underperforms over the year.In this case, no provision is taken, but a new observation period of twelve months shall begin.
- The Fund outperforms over the observation period and over the year.In this case, the management company shall receive the provisioned fee (crystallisation) and a new observation period of twelve months shall begin.

In the event of redemptions during the period, the portion of the provision set aside corresponding to the number of shares redeemed will be definitively acquired and deducted by the Investment Manager.

Life of the Fund

In the event of closure of an existing unit class during the financial year, any provision potentially accumulated by this unit class in respect of the outperformance fee will be definitively acquired by the management company.

In the event of creation of a new unit class during the financial year, the initial observation period will be automatically extended by a further 12 months to end at the end of the financial year following that of the creation of the unit, in order to ensure an observation period of at least 12 months.

Illustration

	Year 1	Year 2	Year 3	Year 4	Year 5
Performance of Fund units	10%	-4%	-7%	6%	3%
Performance of the benchmark	5%	-5%	-3%	4%	0%
Outperformance/ underperformance	5%	1%	-4%	2%	3%
Cumulative performance of the Fund over the observation period				-1%	2%
Cumulative performance of the benchmark over the observation period				1%	1%
Cumulative outperformance/ underperformance				-2%	1%
Fee collected?	Yes	No, because the performance of the Fund is negative, although it has outperformed the benchmark index	No, because the fund has underperformed the benchmark (and has also underperformed over the year)	No, because the Fund has underperformed over the whole current observation period, starting in year 3	Yes
Start of a new observation period?	Yes, a new observation period starts in year 2	Yes, a new observation period starts in year 3	No, the observation period is extended to cover years 3 and 4	No, the observation period is extended to cover years 3, 4 and 5	Yes, a new observation period starts in year 6

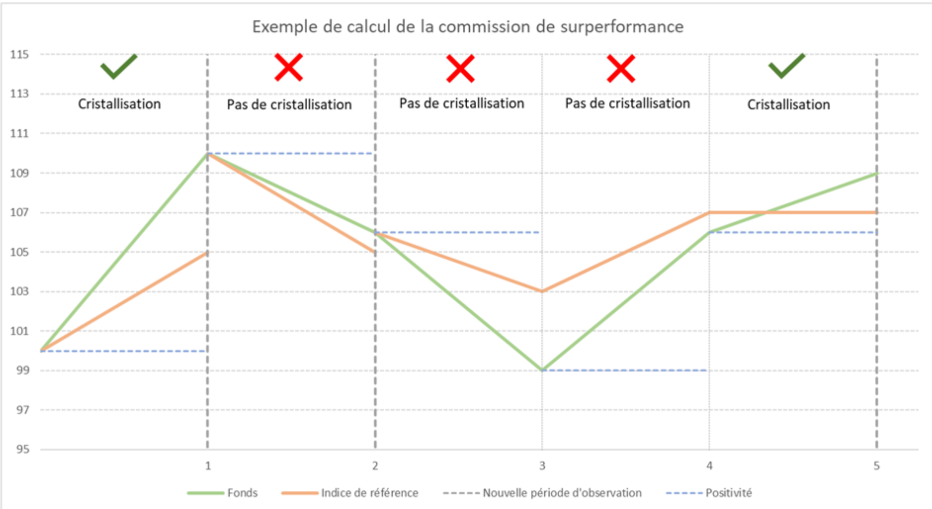
NB: To make the example easier to understand, we have shown the performance of the Fund and the benchmark in percentages.**In fact, the outperformance/underperformance will be measured as an amount, by the difference between the net assets of the Fund and that of a notional fund as described in the aforementioned methodology.**

TREATMENT OF UNCOMPENSATED PERFORMANCE BEYOND 5 YEARS

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Performance of Fund units	0%	5%	3%	6%	1%	5%
Performance of the benchmark	10%	2%	6%	0%	1%	1%
A: Outperformance/ underperformance current year	-10%	3%	-3%	6%	0%	4%
B1: Carryforward of uncompensated underperformance Year 1	N/A	-10%	-7%	-7%	-1%	Out of scope
B2: Carryforward of uncompensated underperformance Year 2	N/A	N/A	0%	0%	0%	0%
B3: Carryforward of uncompensated underperformance Year 3	N/A	N/A	N/A	-3%	-3%	-3%
B4: Carryforward of uncompensated underperformance Year 4	N/A	N/A	N/A	N/A	0%	0%
	N/A	N/A	N/A	N/A	N/A	0%

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
B5: Carryforward of uncompensated underperformance Year 5						
Outperformance/underperformance observation period	-10% (A)	-7% (A + B1)	-10% (A + B1 + B2)	-4% (A + B1 + B2 + B3)	-4% (A + B1 + B2 + B3 + B4)	1% (A + B2 + B3+ B4 + B5)
Collection of a fee?	No	No	No	No	No	Yes

The underperformance generated during Year 1 and partially compensated in the following years is forgotten in Year 6.



(2) In exercising its duties, the Depositary acting in its capacity as custodian of the Fund uses a fixed or flat fee per transaction depending on the nature of the securities, markets and financial instruments traded.Any additional charges paid to an intermediary are passed on completely to the Fund and are recognised as turnover fees in addition to the fees charged by the Depositary and the Custodian.

The operating and management fees are allocated directly to the Fund's income when calculating each net asset value.

The fees stated below are outside the scope of the fees set out above:
- the contributions due for the Fund management in application of point d, paragraph 3, Section II of Article L. 621-5-3 of the Monetary and Financial Code;
- exceptional and non-recurring taxes, duties, charges and government rights (in relation to the Fund);
- exceptional and non recurring costs incurred to recover debt (e.g. Lehman, Aberdeen tax, etc.) or for procedures to assert a right (e.g. class action procedure).

Further information concerning these fees is outlined, *ex post*, in the Fund's annual report.

Practice regarding the selection of entities that provide investment decision support services:
Mandarine Gestion has chosen a method of selecting intermediaries that provide investment decision support services based on several criteria: Independent research must add value to the manager's investment decisions, it must consist of original ideas based on proven assumptions and must have the necessary intellectual rigour to achieve meaningful and consistent conclusions. Research costs will be charged to the Fund.

Practice regarding fees in kind/soft commission:
No intermediary or counterparty charges fees in kind/soft commission to the Fund Management Company.

Methods for calculating and distributing payments on temporary purchases and sales of securities:

Not applicable.

Payment of retrocessions and remuneration of intermediaries in connection with the distribution of UCITS:

As part of its business development policy, the Management Company may decide, in conjunction with one or more of the UCIs, including this Fund, to develop contacts with various financial intermediaries, insurance companies, banks, distribution platforms, *funds purchasing and placing order rooting platforms*, which, in turn, are in contact, directly or indirectly, particularly with sub-distributors, with client segments likely to invest in UCIs of the Management Company. The Management Company applies a strict selection policy for its partners and determines their occasional or recurring remuneration conditions, calculated either on a flat-rate basis or in proportion to the management fees collected in order to preserve the long-term stability of the relationship. Unitholders may contact their financial intermediary to obtain information regarding their remuneration conditions in connection with this Fund.

Short description of the procedure for choosing intermediaries:

Mandarine Gestion employs a multi-criteria approach to select intermediaries that guarantees the very best execution of stock market orders.The criteria are both quantitative and qualitative and depend on the markets in which the intermediaries provide services, both in terms of geographical area and instruments.

The analysis criteria include, in particular, the availability and proactiveness of the intermediaries, as well as timeliness, processing and execution quality, and brokerage costs.

Operating expenses and other services:

These fees are subject to a flat-rate charge up to the limit of the maximum rate indicated in the table above and are provisioned for each net asset value. The maximum flat rate could be deducted even if the actual costs are lower than this and, conversely, if the actual costs are higher than the indicated rate, the overrun of this rate will be borne by the management company. These service fees are used, but not exclusively, to cover fund registration and listing fees, fees related to informing distributors, fees related to compliance with regulatory and reporting obligations, operational costs and KYC fees.The rate may be revised annually.

IV COMMERCIAL INFORMATION

Subscriptions and redemptions of fund units can be addressed

- **to the centralising agent**:

BNP PARIBAS
Registered office: 16, Boulevard des Italiens - 75009 Paris.
Postal address: Grands Moulins de Pantin - 9, Rue du Débarcadère – 93500 Pantin Cedex.

Subscriptions and redemptions are processed at 1 p.m., Paris time (*cut-off time*).

- **To the regional transfer agent in Luxembourg*(hereinafter referred to as the Regional Transfer Agent)*:**

BNP PARIBAS - Luxembourg branch
Registered office: 60, Avenue J-F Kennedy L-1855 Luxembourg – Grand Duchy of Luxembourg.

Subscription requests sent to the *Regional Transfer Agent* must be pre-centralised two hours before the *cut-off time* mentioned above.

Unitholders are informed of changes affecting the Fund in the manner defined by the Financial Markets Authority: specific information or any other means (financial advice, documents etc.).

The full Prospectus of the Fund, the net asset value, the latest annual and interim reports, the report on the policy regarding the Management Company's voting rights, and the report on the conditions for exercising those voting rights are available free of charge within one week, upon written request of the investor, from:

- MANDARINE GESTION - 40, Avenue George V - 75008 Paris;
- or at the following email address: serviceclient@mandarine-gestion.com.

Information on the inclusion of ESG criteria in the investment strategy is available on the management company's website at www.mandarine-gestion.com, as well as in the Fund's annual report.

Information concerning the personal data protection policy

European Union Regulation N°. 2016/679 known as the General Data Protection Regulation *(hereafter referred to as "**GDPR**")* is the reference text on the protection of personal data.It strengthens and unifies the protection of data for individuals within the European Union.

The regulation was transposed into French law by Law no. 2018-493 of 20 June 2018.

In this context, it should be noted that the Management Company may collect and process personal data in order to comply with its regulatory obligations with regard to the identification of its customers, in particular for the fight against fraud, money laundering, the financing of terrorism, and for compliance with regulations regarding international sanctions.

This personal data shall not be used for marketing purposes. Any transfer of personal data to a third party shall only take place upon written instruction from the Management Company if required by French or other European law, or upon written consent from the unitholder in question.Unitholders are informed that they have a right to access this personal data and may request its correction in case of error.

V INVESTMENT RULES

The Fund is subject to all investment rules and regulatory ratios applicable to UCITS investing less than 10% of their assets in units or shares of French and European UCITSs/AIFs.The main financial instruments and management techniques used by the fund are listed in the special provisions of the Prospectus.The Fund complies with the investment rules of European Directive 2009/65/EC, as amended.

VI GLOBAL RISK

The global risk is determined using the commitment approach (see the *CESR Guidelines – CESR/10-788)*.

VII RULES FOR ASSET ACCOUNTING METHODS AND VALUATION

The asset valuation rules are based, in part, on the valuation methods used, and also on the practices specified in the notes to the financial statements and in the Prospectus.The Fund management company is responsible for establishing the valuation rules.The net asset value is calculated for each business trading day in Paris and is dated the same day.

VII.1 Asset valuation rules

The Fund has complied with the accounting rules laid down by the Accounting Regulatory Committee in Regulation No 2003-02 of 2 October 2003 on the UCITS accounting plan, as amended by Regulations No 2004-09 of 23 November 2004 and No 2005-07 of 3 November 2005.

The accounts relating to the securities portfolio are kept on a historical cost basis: incomings (purchases or subscriptions) and outgoings (sales or redemptions) are booked on the basis of the purchase price, excluding any fees.Any outgoings generate a capital gain or a capital loss on the sale or buy back and also possibly a buy back premium.

Accrued coupons on debt securities are calculated at the closing date of the NAV.

The Fund values its securities portfolio at the current value, based on the market value or, if there is no market, using financial methods.The incoming value - current value difference generates a capital gain or capital loss which is recorded in the "portfolio valuation difference".

Description of the methods used for valuing balance sheet items:

- **Transferable securities**

Stocks, bonds and similar securities are valued based on the closing price or, failing that, on the basis of the last known prices, converted into the accounting currency according to the exchange rate in Paris on the day of valuation.

- **UCITS/AIF units or shares**

Target UCITS/AIF units or shares are valued at the last known net asset value on the actual date of calculation of the Fund's net asset value.Monthly valuation of the net asset value of target UCITS/AIF will be based on the last known net asset value (official or estimated) published on the actual date of calculation of the Fund's net asset value.

- **Negotiable debt securities (NDS)**
  - NDS with a residual maturity of more than three months are valued at the market rates identified by managers at the time of publication of the interbank market rates by the EBF *(European Banking Federation)*.The rate used in the absence of significant transactions is the Euribor for securities of less than one year, and the BTAN rate (published by the Primary Dealers (SVT) selected by the French Treasury) for securities over one year, plus (where applicable), a representative margin of the intrinsic characteristics of the issuer.
  - Any NDSs whose life at issue, purchase or residual is less than three months, are valued using a linear method to maturity at the issue or acquisition rate or the last rate used for valuation at market rates.

Notwithstanding the above rules, any securities whose listed prices do not reflect their probable trading value (insignificant transaction volumes, etc.) can be valued by the management company based on information provided by the market.

For securities whose price has not been determined on the valuation day, the Management Company corrects their valuation based on variations made likely by current events.

- Deposits

Deposits are valued at their net asset value.

- Foreign currency

Reference currency of the Fund: euro
Currencies are valued at the rates published by the ECB at 3 p.m. (Paris time) on the day of the NAV.

Description of off-balance sheet commitments:

- **Official market transactions**
  - **Futures**: these transactions are valued according to the markets on the basis of the settlement price.The commitment is calculated as follows: price of futures contract x nominal value of contract x quantities.
  - **Options:** these transactions are valued according to the markets on the basis of the first price or the settlement price.The commitment is equal to the conversion of the option into the underlying equivalent.It is calculated as follows: delta x quantity x amount or nominal value of the contract x underlying price.
- **OTC market transactions**
  - **Interest rate transactions** are valued at market prices based on feeds sourced from a financial information platform (Bloomberg, Reuters, etc.) and, if necessary, by applying an actuarial method.
  - Exchange rate transactions: transactions whose residual maturity is greater than three months are valued at market prices based on feeds sourced from a financial information platform (Bloomberg, Reuters, etc.) and by applying an actuarial method.
  - **Backed or non-backed transactions:**

- Fixed rate/Variable rate: nominal value of the contract
- Variable rate/Fixed rate: nominal value of the contract
- Transactions with a residual maturity below or equal to 3 months are valued on a linear basis.
- In the case of an exchange rate transaction valued at market price with a maximum residual maturity below or equal to 3 months, the last rate used shall be frozen until the final repayment date, except in the case of special sensitivity requiring valuation at market prices (see previous paragraph).

The commitment is calculated as follows:

- Backed transactions: nominal value of the contract
- Non-backed transactions: nominal value of the contract

- **Other transactions on OTC markets**

- Interest rate, currency or credit transactions are valued at market prices based on feeds sourced from a financial information vendor (Bloomberg, Reuters, etc.) and, if necessary, by applying an actuarial method.
- The commitment is shown as follows: nominal value of the contract.

Securities not traded on a regulated market
Securities that are not traded on a regulated market are valued by the Management Company at their probable trading value.

VII.2 Accounting method

- **Description of the accounting method for income fixed income securities:**

Accrued coupons method included.

- **Description of the method for calculating fixed management fees:**

Management fees are charged directly to the Fund's profit and loss account when calculating each net asset value.

- **Allocation of income for the Units:**

In accordance with the provisions set out in the full Prospectus approved by the Financial Markets Authority, no distribution is made in the case of a capitalisation fund.

VIII REMUNERATION

The Management Company's remuneration policy complies with the provisions of European Directive 2014/91/ EU ("UCITS V Directive") and related articles of the AMF General Regulation that apply to UCITS.

The remuneration policy promotes sound and efficient risk management and does not encourage risk taking that is incompatible with the risk profiles of the UCITS which it manages.The Management Company has implemented adequate measures able to prevent any conflict of interests.

The remuneration policy applies to all Management Company employees considered to have a material impact on the risk profile of the UCITS and identified each year as such via a process involving the General Management as well as the risk and compliance teams.

The Management Company staff hereby identified shall receive remuneration comprised equally of a fixed component and a variable component. This is subject to annual review and is based on individual and collective performance.The principles of the remuneration policy are reviewed on a regular basis and adapted according to regulatory changes.The remuneration policy is approved by the administrators of the Management Company.

Full details of the Management Company's remuneration policy are available on the Company's website: www.mandarine-gestion.com. A written copy of the policy is available free of charge upon request to the Management Company.

IX REGULATIONS

SECTION I - ASSETS AND UNITS

ARTICLE 1 - CO-OWNERSHIP UNITS

Co-ownership rights are expressed in units, with each unit corresponding to the same fraction of Fund assets (or, where applicable, of sub-fund assets).Each unitholder has a right of co-ownership to Fund assets in proportion to the number of units held.

The term of the Fund is 99 years beginning on 26/09/2008, except in the event of early dissolution or extension provided for in these Regulations.

Categories of units: the features of the different unit categories and their access conditions are specified in the Fund Prospectus.

The different categories of shares may:

- benefit from different income distribution methods (distribution or capitalisation);
- be denominated in different currencies;
- have different management fees;
- have different subscription and redemption fees;
- have a different nominal value;
- be systematically hedged against risk, in part or in full, as defined in the Prospectus.This hedging is achieved by means of financial instruments minimising the impact of hedging transactions on other categories of units of the UCITS;
- be confined to one or more marketing channels.

The Board of Directors of the Management Company may decide to split the units into tenths, hundredths, thousandths or ten thousandths, known as fractional units.

The provisions of the Regulations governing the issue and redemption of units shall also apply to fractional units, the value of which is always proportional to that of the unit they represent.Unless otherwise stipulated, all other provisions of these Regulations relating to units shall also apply to fractional units, without it being necessary to state this explicitly.
Finally, the Board of Directors of the Management Company may, at its sole discretion, split the units by creating new units that are allocated to unitholders in exchange for old units.

ARTICLE 2 - MINIMUM AMOUNT OF ASSETS

Units may not be redeemed if the assets of the mutual fund (or the sub-fund) fall below 300,000 euros. If the assets remain below this amount for a period of thirty days, the management company shall take the necessary steps to liquidate the UCITS in question, or to carry out one of the operations stipulated in Article 411-16 of the AMF General Regulation (transfer of the UCITS).

ARTICLE 3 - ISSUE AND REDEMPTION OF UNITS

Units may be issued at any time at the request of the unitholders, based on their 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.

Units of the Fund may be admitted for listing in accordance with the regulations in force.

Investments must be fully paid up on the date on which the net asset value is calculated.They may be paid for in cash and/or financial instruments.The Management Company shall be entitled to reject securities offered to it, and shall therefore have a period of seven days from the date of receipt of the securities to announce its decision.If the securities are accepted, they are valued in accordance with the rules set out in Article 4 and the subscription is carried out on the basis of the net asset value immediately following acceptance of the securities in question.

Redemptions may be made in cash and/or in kind.If the redemption in kind corresponds to a representative share of the assets in the portfolio, then only the written agreement signed by the outgoing holder need 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 holders must serve their written agreement authorising the outgoing holder to redeem their shares for certain particular assets, as explicitly defined in the agreement.

By way of an exception to the above, where the fund is an ETF, redemptions on the primary market may, with the agreement of the asset management company and to uphold the interests of unitholders, be performed under the conditions set out in the prospectus or the fund rules.The assets are then delivered by the issuing account holder under the conditions set out in the fund prospectus.
Generally, redeemed assets are valued in accordance with the rules set out in Article 4 and the redemption in kind is performed on the basis of the first net asset value immediately following acceptance of the securities in question.
Redemptions are paid by the issuing account holder within five days of valuation of the unit.

Under exceptional circumstances, however, where reimbursement requires the prior disposal of assets held in the Fund, this period may be extended up to a maximum of 30 days.

Except in the case of inheritance or inter vivos distribution, the transfer of units from one unitholder to another, or to a third party, is treated as a redemption followed by a subscription. In the case of a third party, the amount of the sale or transfer must, if necessary, be made up by the beneficiary to the minimum subscription amount specified in the Prospectus.

Pursuant to Article L. 214-8-7 of the Monetary and Financial Code, both the redemption by the FCP of its units and the issue of new units may be suspended temporarily by the Management Company if required by exceptional circumstances and if this is in the interests of the unitholders.

Pursuant to Article L. 214-8-7 of the Monetary and Financial Code, in exceptional circumstances and to uphold the interests of unitholders, the Management Company may temporarily cap unit redemptions in order to spread redemption requests from the Fund's unitholders over several net asset values on condition that they exceed a certain determined level which has been set objectively.
If liquidity conditions permit, the management company may decide not to trigger the redemption cap mechanism and thus partially or fully execute orders that could be blocked.
The operating procedures for the cap and information mechanism for unitholders are described in the Fund's prospectus.

When the Fund's net assets (or, where applicable, those of a sub-fund) are less than the amount fixed by the regulations, no units may be redeemed.Minimum subscription conditions may be set out in the Prospectus.

Fund may cease issuing units in application of the third paragraph of Article L. 214-8-7 of the Monetary and Financial Code, temporarily or permanently, partially or totally, in objective situations resulting in the closure of subscriptions, such as a maximum number of units having been issued, a maximum amount of securities having been attained or the expiry of a pre-determined subscription period.The enactment of this mechanism shall be subject to notification by all appropriate means to existing unitholders regarding its activation, as well as the threshold and objective situation that led to the decision of the partial or total closure.In the case of a partial closure, this notification by all appropriate means shall explicitly state the terms according to which existing unitholders may continue to subscribe for the duration of this partial closure.Unitholders shall also be notified by all appropriate means of the decision, by the mutual fund or by the Management Company, either to put an end to the total or partial closure of subscriptions (when dropping below the enactment threshold) or its continuance (in the event of a change of threshold or changes to the objective situation that led to the enactment of this mechanism).A change to the aforementioned objective situation or the mechanism enactment threshold must always be made in the interests of the unitholders.The notification by all appropriate means shall state the exact reasons for such changes.

The Management Company of the mutual fund may restrict or prevent (i) the ownership of units by any investor, physical or legal person who is forbidden from owning units in accordance with the Prospectus, in the section “subscribers concerned” (hereinafter “Ineligible Person”) and/or (ii) the recording in the register of the Fund's unitholders or in the transfer agent's register (the “Registers”) of any intermediary who does not belong to one of the following categories (“Ineligible Intermediary”): active Non-Financial Foreign Entities (active NFFEs), US Persons who are not determined US Persons and financial institutions who are not non-participating financial institutions*, and passive Non-Financial Foreign Entities* (passive NFFEs).
The terms followed by an asterisk * are defined by the Agreement between the government of the French Republic and the government of the United States of America with a view to improving compliance with tax obligations at international level and implementing the law on compliance with tax obligations for foreign accounts signed on 14 November 2013.The text of this Agreement is available (in French), at the date of writing these Regulations, at the following link: http://www.economie.gouv.fr/files/usa_accord_fatca_14nov13.pdf

To this end, the Management Company can:
(i) refuse to issue any unit once it appears that such an issuance would or could have resulted in the units being held by an Ineligible Person or that an Ineligible Intermediary be recorded in the Registers;
(ii) at any time request that an intermediary whose name appears in the Registers of unitholders provide them with all information, accompanied by a sworn statement, that it considers necessary in order to determine if the beneficial owner of the units in question is an Ineligible Person or not;
(iii) when it appears to them that the beneficial owner of the units is an Ineligible Person or that an Ineligible Intermediary is recorded in the Registers of Fund unitholders, proceed with the compulsory redemption of all units held by the Ineligible Person or all units held through the Ineligible Intermediary, after a period of 10 business days.The compulsory redemption will occur at the last known asset value plus, if necessary, the applicable fees, duties and commissions, which will remain at the expense of the unitholders concerned by the redemption.

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, stocks or contracts in which UCITS are authorised to invest; such contributions shall be valued pursuant to the valuation rules used to calculate the net asset value.

SECTION II – FUND OPERATION

ARTICLE 5 - THE MANAGEMENT COMPANY

The Fund is managed by the management company in accordance with the strategy defined for the Fund.
The Management Company shall act in all circumstances on behalf of the unitholders and can only exercise the voting rights attached to the securities in the Fund.

ARTICLE 5A - OPERATING RULES

The instruments and deposits in which the UCITS may invest and the investment rules are specified in the Prospectus.

ARTICLE 5B – ADMISSION TO TRADING ON A REGULATED MARKET AND/OR A MULTILATERAL TRADING FACILITY

Units may be admitted for trading on a regulated market and/or multilateral trading facility in accordance with the regulations in force.In the event that the mutual fund whose shares are admitted to trading on a regulated market has an index-based management objective, the fund must have a mechanism in place to ensure that the price of its shares does not differ appreciably from its net asset value.

ARTICLE 6 - THE DEPOSITARY

The Depositary shall undertake the tasks entrusted to it by the laws and regulations in force and those that were contractually assigned to it.In the event of any dispute with the Management Company, it shall inform the Financial Markets Authority.

ARTICLE 7 - THE STATUTORY AUDITOR

A statutory auditor is appointed for a period of six financial years, following approval by the Financial Markets Authority, the Management Company’s governance body.
They certify the compliance and veracity of the accounts.
The statutory auditor’s term of office may be renewed.

The auditor is responsible for reporting, as soon as possible, any fact or decision of which they are made aware as part of their role, concerning the collective investment undertaking for transferable securities, to the Financial Market Authority, of a nature:
1 To constitute a violation of legal or regulatory provisions applicable to this undertaking and likely to have significant effects on the financial situation, the results or the holdings;
2 To undermine the conditions or the continuity of its use;
3 To lead to the issuance of reserves or the refusal of account certification.

The valuations of the assets and the calculation of the exchange parities in conversion, merger or demerger transactions shall be supervised by the statutory auditor.
They shall assess any contribution or redemption in kind under their responsibility, except in the context of redemptions in kind for an ETF on the primary market.
They shall check the composition of the assets and other elements prior to publication.
The statutory auditor's fees are determined by mutual agreement between the statutory auditor and the Board of Directors or the Executive Board of the Management Company on the basis of a work schedule specifying the duties considered necessary.
He shall certify the situations on the basis of which interim distributions are made.

His fees shall be covered by the management fees.

ARTICLE 8 - FINANCIAL STATEMENTS AND MANAGEMENT REPORT

At the close of each financial year, the Management Company shall draw up summary documents and a report on the management of the fund (and, where applicable, on each sub-fund) for the past financial year.

The Management Company shall draw up the inventory of assets of the UCI at least twice a year and under the supervision of the Depositary.

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 to which they are entitled: these documents are either sent by post at the express request of the unitholders, or made available at the Management Company.

SECTION III – INCOME ALLOCATION PROCEDURES

ARTICLE 9 – PROCEDURES FOR ALLOCATING INCOME AND AMOUNTS AVAILABLE FOR DISTRIBUTION

Net income for the financial year is equal to the total interest payments, arrears, dividends, bonuses and lots, fees and all earnings from securities held in the Fund (and/or each sub-fund) portfolio, plus earnings from sums held as liquid assets, minus management fees and borrowing costs.

Distributable income is equal to net income for the financial year plus the amount carried forward, plus or minus the balance of prepayments and accrued income for the financial year ended.

The Management Company decides on the allocation of income.It may opt for capitalisation and/or distribution.

For each category of unit, if any, the mutual fund may opt for one of the following formulas:
For all units:

- ✓ full capitalisation: the amounts available for distribution are fully capitalised, except those subject to mandatory distribution by law;
- ✗ full distribution: the amounts are fully distributed, rounded to the nearest number; possibility of making interim distributions;
- ✗ for mutual funds that wish to retain the freedom to capitalise and/or to distribute.The Management Company decides on the allocation of income each year.It provides for the possibility of making interim distributions.

The Management Company may decide, during the financial year, to make one or more interim distributions within the limit of the net revenues accounted at the date of the decision.

SECTION IV - MERGERS - DEMERGERS - DISSOLUTION - LIQUIDATION

ARTICLE 10 - MERGERS - DEMERGERS

The Management Company may transfer all or part of the assets to another UCITS or it may split the Fund into two or more other mutual funds.

Unitholders must be given notice before any such merger or demerger takes place.A new statement will then be issued showing the number of units held by each unitholder.

ARTICLE 11 - DISSOLUTION - EXTENSION

If the Fund's assets (or, where applicable, those of a sub-fund) remain below the amount laid down in Article 2 above for a period of thirty days, the Management Company shall inform the Financial Markets Authority and dissolve the Fund (or, where applicable, the sub-fund), unless there is a merger operation with another mutual fund.

The Management Company may dissolve the Fund (or, where applicable, the sub-fund) early. It shall inform the unitholders of its decision, and subscription and redemption requests will not be accepted after this date.

The Management Company shall also dissolve the Fund (or, where applicable, the sub-fund) in the event of a redemption request 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 not extended.

The Management Company shall inform the Financial Markets Authority by post of the date and of the procedure adopted for the dissolution.Subsequently, the Management Company shall send the auditor’s report to the Financial Markets Authority.

The Management Company may decide to extend a Fund in agreement with the Depositary.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, they are 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 perform their duties until the liquidation operations have been completed.

SECTION V - DISPUTES

ARTICLE 13 - JURISDICTION - CHOICE OF DOMICILE

Any disputes concerning the Fund that may arise during the operation thereof, or upon its liquidation, whether between unitholders or between unitholders and the Management Company or Depositary, shall be subject to the jurisdiction of the competent courts.