

# PROSPECTUS

## I – GENERAL FEATURES

- **Name:** AMUNDI 12 M
- **Legal form of the Fund and Member State:** French Mutual Fund (FCP)
- **Date of creation, date of approval and scheduled duration:** UCITS launched on **21 January 2010**, approved on **27 November 2009**, for a term of 99 years
- **Summary of the management offer:**

Name Unit	ISIN Code	Allocation of distributable sums	Accounting currency	Minimum initial subscription	Minimum subsequent subscription	Eligible subscribers
B-C unit	FR0013192820	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	1 Unit(s)	one thousandth of a unit	More specifically major institutional investors
B-D unit	FR0013340999	<u>Allocation of net profit:</u> Distribution  <u>Allocation of net capital gains realised:</u> Accumulation and/or distribution at the discretion of the Fund Manager	Euro	1 Unit(s)	one thousandth of a unit	More specifically major institutional investors
CDN units	FR0012330074	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	1 Unit(s)	1 Unit(s)	All subscribers, and more specifically legal entities
DP units	FR0011307057	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	2 Unit(s)	one thousandth of a unit	All investors, clients of distribution platforms in particular
E units	FR0010830885	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	2 Unit(s)	one thousandth of a unit	More specifically companies
USD I units	FR0012058022	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital</u>	US dollar	2 Unit(s)	one thousandth of a unit	More specifically institutional investors

		<u>gains realised:</u> Accumulation				
I units	FR0010830844	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	2 Unit(s)	1 ten-thousandth of a unit	More specifically institutional investors
I3 EUR unit	FR0013456076	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	100 Unit(s)	one thousandth of a unit	More specifically, intended for institutional investors
I3 USD unit	FR0013456084	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	US dollar	100 Unit(s)	one thousandth of a unit	More specifically, intended for institutional investors
I3-GBP unit	FR0012058006	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Pound Sterling	100 Unit(s)	one thousandth of a unit	More specifically institutional investors
P units	FR0010829697	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	one thousandth of a unit	one thousandth of a unit	More specifically individuals
PM unit	FR0013463155	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	one thousandth of a unit	one thousandth of a unit	Strictly reserved for the management under mandate of Crédit Agricole Group entities
R units	FR0013289360	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	one thousandth of a unit	one thousandth of a unit	Strictly reserved for investors subscribing directly or via intermediaries providing portfolio or mandate management services and/or financial investment consultancy services not authorising them to retain retrocessions, either contractually or pursuant to the MiFID II regulation or national legislation
R1 unit	FR0013385051	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	EUR 25,000,000	one thousandth of a unit	Reserved for Commerzbank Germany Group entities
R2 units	FR0013508934	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u>	Euro	2.500 unit(s)	one thousandth of a unit	The unit is strictly reserved for the subscriber authorised by the Management Company

		Accumulation				
S unit	FR0013224342	<u>Allocation of net profit:</u> Accumulation  <u>Allocation of net capital gains realised:</u> Accumulation	Euro	one thousandth of a unit	one thousandth of a unit	Reserved for direct and indirect investments associated with employee savings UCIs classified by the AMF as "bonds and other debt instruments denominated in euros" and for UCIs or mandates dedicated to group retirement savings (specifically Articles 39 and 83 of the French General Tax Code) and pension funds governed by the IORP Directive (2003/41/EC) managed by Crédit Agricole group companies

- **Address from which the latest annual or periodic report and financial statements may be obtained:**

The latest annual report and financial statements along with the breakdown of assets will be sent to investors within eight working days upon written request from the holder to:

Amundi Asset Management  
Customer Services  
90, Boulevard Pasteur – 75015 Paris

Further information may also be obtained from your usual advisor.

The AMF website ([amf-france.org](http://amf-france.org)) contains further details on the list of regulatory documents and investor protection regulations.

## II – SERVICE PROVIDERS

### ► Management Company:

Amundi Asset Management, a simplified joint-stock company (société par actions simplifiée)  
Portfolio Management Company operating under AMF approval no. GP 04000036  
Registered office: 90, Boulevard Pasteur -75015 Paris

### ► Depositary and Registrar:

CACEIS BANK, a French public limited company (Société Anonyme)  
Registered office: 1-3 Place Valhubert, 75013 Paris, France  
Main business: Bank and investment services provider approved by CECEI on 1 April 2005.

With regard to regulatory duties and duties contractually entrusted by the management company, the depositary's main task is taking custody of the UCITS' assets, checking that the decisions of the management company are lawful and monitoring the UCITS' cash flows.

The depositary and the management company belong to the same group therefore, in accordance with the applicable regulations, they have implemented a policy to identify and prevent conflicts of interest. If a conflict of interest cannot be avoided, the management company and the depositary shall take all necessary measures to manage, monitor and report this conflict of interest.

The description of the delegated custodian duties, the list of the depositary's delegates and sub-delegates and information relating to conflicts of interest that may result from these delegations are available on the CACEIS website: [www.caceis.com](http://www.caceis.com) or free of charge on written request.

Updated information is available to unitholders on request.

► **Institution responsible for clearing subscription and redemption orders by delegation of the Management Company:**

CACEIS BANK, a French public limited company (Société Anonyme)  
Registered office: 1-3 Place Valhubert, 75013 Paris, France  
Main business: Bank and investment services provider approved by CECEI on 1 April 2005.

The depositary is also responsible, by delegation of the management company, for the UCITS' liability accounting, which covers the clearing of subscription and redemption orders for units and managing the unit issue account.

► **Independent Auditor:**

Deloitte & Associés  
Represented by Stéphane Collas  
6, place de la Pyramide  
92908 Paris-la-Défense Cedex, France

► **Promoters:**

The branch office network of the regional banks of Crédit Agricole and branches of LCL (Le Crédit Lyonnais) in France, Amundi Asset Management, CACEIS Bank France.

The list of promoters is not exhaustive due mainly to the fact that the UCITS is listed on Euroclear. Accordingly, some promoters may not be appointed by or known to the Management Company.

► **Delegated accounting manager:**

CACEIS Fund Administration, Société Anonyme  
Registered office: 1-3, Place Valhubert - 75013 Paris  
CACEIS Fund Administration is a company of the Crédit Agricole Group specialising in the administrative and accounting management of UCIs on behalf of clients inside and outside the Group. CACEIS Fund Administration has accordingly been appointed by Amundi Asset Management as Delegated Fund Accountant for the valuation and accounting of the UCITS.

## III - OPERATING AND MANAGEMENT ARRANGEMENTS

### 1. General features

► **Characteristics of the units:**

• **Nature of the right attached to the category of units:**

Each unitholder is entitled to joint-ownership of the Fund's assets proportional to the number of units held.

• **Registration or other arrangements for maintaining unitholder records:**

In terms of the Fund's liability accounting, the depositary centralises the subscription and redemption orders and operates the unit issuer's account in collaboration with Euroclear France, the company with which the fund is listed.

Administered registered shares are entered in the liabilities manager's register

• **Voting rights:**

no voting rights are attached to the units: decisions are made by the Management Company. Note: investors will be notified

of changes to the Fund's operating arrangements either individually, through the press or by any other means in accordance with current regulations.

- **Form of units:**

Registered or bearer

- **Decimalisation:**

For R2 units,

Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected.

Redemptions are made in thousandths of units.

DP units

may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected.

Redemptions are made in thousandths of units.

For the I3-GBP unit

Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected.

Redemptions are made in thousandths of units.

For the I unit

Units may be subscribed in ten-thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in ten-thousandths of units.

For the CDN-C unit,

Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected.

Redemptions are made in thousandths of units.

For the B-D unit,

Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected.

Redemptions are made in thousandths of units.

For the B-C unit,

Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected.

Redemptions are made in thousandths of units.

S-C units

may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected.

Redemptions are made in thousandths of units.

For the R-C unit,

Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected.

Redemptions are made in thousandths of units.

For the I-USD unit

Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected.

Redemptions are made in thousandths of units.

E units

may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected.

Redemptions are made in thousandths of units.

P units

may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected.

Redemptions are made in thousandths of units.

For the R1-C unit,

Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected.

Redemptions are made in thousandths of units.

For the PM unit,

Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected.

Redemptions are made in thousandths of units.

For the I3 EUR unit,

Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected.

Redemptions are made in thousandths of units.

For the I3 USD unit,

Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected.

Redemptions are made in thousandths of units.

▶ **Financial year end:** Last trading day of May

▶ **First financial year end:** last trading day of May 2011

▶ **Currency of accounting unit:** EUR

## ► Tax regime:

The UCITS, by its nature, is not subject to taxation. However, unit-holders may be taxed on any income distributed by the UCITS or when they sell Fund units. The tax regime applicable to amounts distributed by the UCITS or unrealised or realised capital gains or losses will depend on the individual unit-holder's tax situation, residence for tax purposes and/or the investment jurisdiction of the UCITS. We recommend that any investor who has concerns about his/her tax situation should consult a tax advisor. Some income distributed by the UCITS to unit-holders residing outside France may, where applicable, be subject to a withholding tax in France.

## U.S. tax considerations

The Foreign Account Tax Compliance Act (FATCA), which is part of the US Hiring Incentives to Restore Employment Act (HIRE), requires that non-US financial institutions (foreign financial institutions, or FFIs) report to the IRS (the US tax authorities) any financial information relating to assets held by US taxpayers<sup>(1)</sup> residing outside the United States.

In accordance with FATCA regulations, US securities held by any financial institution that does not adhere to or is considered to be non-compliant with the FATCA law will be subject to a withholding tax of 30% on (i) certain income generated from US sources; and (ii) the gross proceeds from the sale or disposal of US assets.

The UCI falls within the scope of FATCA and, as such, unitholders may be asked to provide certain mandatory information.

The United States has entered into an intergovernmental agreement with several governments in order to implement the FATCA law. In this context, the French and US governments have signed an intergovernmental agreement (IGA).

The UCI complies with the IGA Model 1 agreement between France and the United States of America. It is not anticipated that the UCI (or any sub-fund) will be subject to a FATCA withholding tax.

The FATCA law requires that the UCI collect certain information about the identity (including ownership, holding and distribution details) of account holders who are US tax residents, entities that control US tax residents, and non-US tax residents who do not comply with the FATCA provisions or who fail to provide any of the accurate, complete and precise information required under the intergovernmental agreement (IGA).

For this purpose, all potential unitholders agree to provide the UCI, its delegated entity or the promoter with any information requested (including, but not limited to, their GIIN).

In the event of any change in circumstances impacting their FATCA status or their GIIN, potential unitholders shall immediately provide written notice to the UCI, its delegated entity or the promoter.

In accordance with the IGA, this information should be communicated to the French tax authorities, who may in turn share it with the IRS or with other tax authorities.

Investors who fail to document their FATCA status properly, or who refuse to report their FATCA status or to disclose the required information within the prescribed deadline, may be qualified as recalcitrant and be reported to the relevant tax or government authorities by the UCI or their Management Company.

In order to avoid the potential impacts of the foreign passthru payment mechanism and to prevent any withholding on such payments, the UCI or its delegated entity reserves the right to prohibit any subscription to the UCI or the sale of units or shares to any non-participating FFI (NPPFI),<sup>(2)</sup> particularly when such a prohibition is considered legitimate and justified for

1 According to the US Internal Revenue Code, the term "US Person" means an individual who is a US citizen or resident, a partnership or corporation established in the United States or under the laws of the United States or any State thereof, or a trust if (i) a court within the United States has authority under applicable law to hand down orders or judgments concerning substantially all issues regarding the administration of the trust; and if (ii) one or more US Persons have authority to control all substantive decisions of the trust, or of an estate of a deceased person who was a citizen or resident of the United States.

2 NPPFI or non-participating FFI = a financial institution that refuses to comply with FATCA either by refusing to sign a contract with the IRS or by refusing to identify its clients or report to the authorities.

the protection of the general interests of investors in the UCI.

The UCI and its legal representative, the UCI's depository and the transfer agent reserve the right, on a discretionary basis, to prevent or remediate the acquisition and/or direct or indirect holding of units or shares in the UCI by any investor who is in breach of the applicable laws and regulations, or where the latter's involvement in the UCI may have detrimental consequences for the UCI or for other investors, including, but not limited to, FATCA sanctions.

To this end, the UCI may reject any subscription or require the mandatory redemption of units or shares in the UCI in accordance with the provisions set out in the regulations or Articles of Association of the UCI<sup>(1)</sup>.

The FATCA law is relatively new and its implementation is ongoing. Although the above information summarises the Management Company's current understanding, this understanding may be incorrect, or the way in which FATCA is implemented could change such that some or all investors are subject to the 30% withholding tax.

The provisions herein are not a complete analysis of all the tax rules and considerations or tax-related advice and shall not be considered as a complete list of all the potential tax-related risks inherent in subscribing to or holding Fund units. All investors should consult their usual advisors regarding the tax aspects and potential consequences of subscribing, holding or redeeming units or equities by virtue of the laws applicable to such investors and, in particular, by virtue of the rules of disclosure or withholding under FATCA concerning investors in the UCI.

#### **Automatic Exchange of Information (CRS regulations):**

France has signed multilateral agreements on the automatic exchange of information relating to financial accounts, based on the Common Reporting Standard (CRS) ("Norme Commune de Déclaration" or NCD in France) as adopted by the Organisation for Economic Co-operation and Development (OECD).

Under the CRS law, the UCI or the Management Company must provide the local tax authorities with certain information about non-resident shareholders in France. This information is then communicated to the relevant tax authorities.

The information communicated to the tax authorities includes details such as name, address, tax identification number (NIF), date of birth, place of birth (if it appears in the records of the financial institution), account number, account balance or, if applicable, account value at the end of the year and the payments recorded on the account during the calendar year.

Each investor agrees to provide the UCI, the Management Company or their distributors with the information and documentation required by law (including, but not limited to, their self-certification) as well as any additional documentation that may reasonably be required in order to comply with their reporting obligations under the CRS.

Further information on the CRS is available on the OECD website and the websites of the tax authorities in the agreement signatory states.

Any unitholder who does not respond to requests for information or documents by the UCI: (i) may be held liable for penalties imposed on the UCI that are attributable to the failure of the shareholder to provide the requested documentation, or attributable to the shareholder providing incomplete or incorrect documentation; and (ii) will be reported to the relevant tax authorities for having failed to provide the necessary information for the identification of their tax residence and their tax identification number.

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<sup>1</sup> This may also apply to any person (i) who seems to be directly or indirectly in violation of the laws and regulations of any country or any government authority; or (ii) who may, in the opinion of the Fund's Management Company, cause damage to the Fund that it would not have otherwise suffered or incurred.



## 2. Special terms and conditions

► **ISIN code:**

R2 units	DP units	I3 GBP unit	I-USD unit	CDN-C units	B-D unit	B-C unit	S - C units	R-C units	I units	E units	P units	R1-C unit	PM unit	I3 EUR unit	I3 USD unit
FR0013 508934	FR0011 307057	FR0012 058006	FR0012 058022	FR0012 330074	FR0013 340999	FR0013 192820	FR0013 224342	FR0013 289360	FR0010 830844	FR0010 830885	FR0010 829697	FR0013 385051	FR0013 463155	FR0013 456076	FR0013 456084

► **Classification:** Bonds and other international debt securities

► **Investment objective:**

The Fund's investment objective, over an investment period of 12 months, is to achieve an outperformance on an annual basis of its benchmark index, the capitalised EONIA for EUR-denominated units, the capitalised Fed Funds rate for USD-denominated units and the capitalised SONIA for GBP-denominated units respectively, after deduction of ongoing charges.

► **Benchmark index:**

Capitalised EONIA

The EONIA represents the overnight euro money-market rate. It is calculated by the ESCB (European System of Central Banks) as the average transaction rate on the euro money market used by a panel of international banks. Changes in the benchmark index depend on the European Central Bank's monetary policy.

The capitalised EONIA also takes into account the impact of the reinvestment of interest using the OIS method (Overnight Indexed Swap).

Capitalised Fed Funds rate:

The Fed Funds rate is the interest rate representative of the US money market.

Capitalised SONIA rate:

SONIA is the interest rate for unsecured transactions in the sterling money market.

**Benchmark index applicable to the Fund's investment objective:**

The administrator of the benchmark index, EMMI (European Money Markets Institute), is recorded on the register of administrators and benchmark indices held by the ESMA.

Further information on the benchmark index is available on the website of the benchmark administrator: [www.emmi-benchmarks.eu](http://www.emmi-benchmarks.eu)

The benchmark index neither evaluates nor includes its components according to these environmental and/or social characteristics and is therefore not in line with the ESG characteristics promoted in the portfolio.

As a central bank, the administrator of the SONIA index, the Bank of England, benefits from the exemption under Article 2.2 of the benchmark regulation and, as such, does not need to be registered in the ESMA register.

All information on the index is available on the website of the administrator: <https://www.bankofengland.co.uk/>.

As a central bank, the administrator of the Fed Funds index, the Federal Reserve Bank, benefits from the exemption under Article 2.2 of the benchmark regulation and, as such, does not need to be registered in the ESMA register.

All information on the index is available on the website of the administrator: <https://www.federalreserve.gov>.

In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 08 June 2016, the Management Company has a monitoring procedure for the benchmark indices used setting out the actions to take in the event that a benchmark index materially changes or ceases to be provided.

► **Investment strategy:**

**Principal investment management features of the UCITS:**

Spread of sensitivity to interest rates	[-1 ; +2 ]
Geographic area of the securities issuers	All areas: 0 to 100%
Currency of the securities	All areas: 0 to 100%
Level of exposure to currency exchange risk	0 to 2%

Your Fund's range of sensitivity to credit spreads may be significantly different from the interest rate sensitivity range specified above, namely due to the interest-rate hedges implemented through interest-rate swaps, and also due to the potentially significant proportion of floating securities in the inventory.

**1. Strategies used:**

The UCI promotes environmental, social and governance (ESG) criteria as covered under Article 8 of "Sustainability Disclosures" Regulation

The UCI carries a sustainability risk, as defined in the risk profile.

In order to reach the management objective and outperform the benchmark indicator, the management process is based on the following two sources of value added:

- portfolio sensitivity management: active management of the portfolio's global bond risk within a sensitivity range of -1 to +2 according to the bullish or bearish projections of the management team on short-term rate developments within the Eurozone.  
Euro fixed income and credit Managers establish together forecasts for yields by maturity for euro zone sovereign bonds. The team's projections regarding future decisions by the European Central Bank are of particular importance due to the high percentage of investments made by the Fund on the short-term bond market.  
The determination of the Fund's sensitivity is adjusted according to the portfolio's comprehensive exposure to credit risk, to take into account the negative correlation which is often noted between rate and spread movements. The sensitivity may therefore be increased to hedge - at least in part - the risk of bond deterioration if their weighting within the Fund is significant.
- selection of credit securities: Selection of securities (bonds, negotiable debt securities) from public and private issuers. An issuer is selected based on the observation of various parameters:
  - studies carried out by various research entities (macro-economic, specific credit etc.) of the Crédit Agricole Group or other market financial institutions.
  - the management team's assessment of the premium on the securities of this issuer to cover the credit and/or liquidity risk.
  - the more diversification a new issuer can bring to the portfolio, the more interest will be shown in its contribution.

This choice is based on two convictions:

- on average, credit spreads yield more than just issuer risk, provided that the credit research is efficient and allows the Management Company to be selective.
- there is a long-term risk premium between short-term bonds and the EONIA.

Credit risk diversification rules are systematically applied to investments in order to limit the impact in the case of a credit event arising on an issuer in the portfolio. These rules include limiting the Fund's exposure, in terms of both duration and weight of the net asset, to an issuer depending on its rating (external or, failing this, internal).

Moreover, the two sources of value added, credit and sensitivity, offer low correlation, especially during a financial crisis, which ensures a more resistant performance.

USD/GBP units are denominated in USD and GBP respectively, while the portfolio is invested in euros. The Fund will use derivatives (currency swaps, total return swaps) in order to hedge the exposure to currency risk for these units denominated in foreign currency. This enables the NAV performance of these units to be compared to that of their respective benchmark index, the Fed Funds rate or SONIA.

## **2. Description of the assets used (excluding derivatives)**

- Bond and money-market instruments:

Investments are made indifferently up to 110 % of the net assets in private or public debt securities issued in euros.

Nevertheless, at least 50% of net assets are invested indiscriminately in private or public debt securities issued in euros. Positions in currencies other than the euro are hedged against currency risks.

Portfolio securities will be selected according to the best judgement of the management and in compliance with the internal credit risk monitoring policy of the Management Company.

For the purpose of stock-picking, management does not - neither exclusively nor automatically - rely on the ratings issued by rating agencies, but bases its buy and sell opinion about a security on its own credit and market analyses. By way of information, management may specifically use securities with the ratings described below:

- a minimum of 75% of assets in debt instruments that may be rated AAA to BBB- by Standard & Poor's or Fitch or Aaa to Baa3 by Moody's).

- a maximum of 10% of net assets in debt instruments that may be unrated or rated BB+ to B- by Standard & Poor's and Fitch or Ba1 to B3 by Moody's.), with the latter not exceeding a maximum of 5% of the net assets. Securities rated below BBB-/Baa3 may have speculative characteristics.

- The Fund may invest in the following instruments:

- Bonds:

- o Fixed-rate bonds
- o Floating-rate bonds
- o Indexed bonds [inflation, CMR (constant maturity rate)],
- o Other: equity securities, dated subordinated securities.

- Money-market instruments: Certificates of Deposit, Commercial Paper, negotiable medium-term notes (BMTN), fixed-rate treasury notes (BTF), French Government treasury notes (BTAN), Euro Commercial Paper, money-market UCIs.

### **Holding of shares or units of other UCIs or investment funds:**

The Fund may hold up to 10% of its assets in shares or units of the following UCIs or investment funds:

- Funds that may invest up to 10% of their assets in Funds or investment Funds

French or foreign UCITS <sup>(1)</sup>

French or European AIF or investment funds complying with the criteria defined by the French Monetary and Financial Code <sup>(2)</sup>

These UCI and investment funds may invest up to 10% of their assets in UCITS, AIF or investment funds. They may be managed by the Management Company or an affiliated company. The risk profile of these UCIs is compatible with that of the UCITS.

(1) up to 100% of net assets in total (regulatory maximum)

(2) up to 30% of net assets in total (regulatory maximum)

### **3. Derivatives used**

The use of both hedges and options is an integral part of the investment process due to the advantages they offer in terms of liquidity and/or cost/efficiency ratios. These instruments have underlying assets that are part of the asset classes used. Forward agreements are used in purchases and sales as inexpensive, liquid substitutes for real securities on the one hand to adjust global portfolio exposure to the bond markets and, on the other, to manage portfolio allocation along the interest-rate curve.

#### Information about the counterparties of the OTC derivative contracts:

Amundi AM relies on the expertise of Amundi Intermédiation in the context of providing services regarding the selection of counterparties.

Amundi Intermédiation provides Amundi AM with an indicative list of counterparties, the eligibility of which is approved beforehand by the Amundi (Group) Credit Risk Committee, concerning the aspects of counterparty risk.

This list is then approved by Amundi AM at ad-hoc meetings of its "Broker Committees". The purpose of the Broker Committees is to:

- monitor volumes (share broking and net amounts for other products) by intermediary/counterparty, instrument type and market, where applicable;
- express their opinion on the quality of the service provided by the Amundi Intermédiation trading desk;
- carry out a review of the brokers and counterparties, and to draw up the list for the coming period. Amundi AM may decide to limit the list or ask to extend it. If Amundi AM proposes to extend the list of counterparties, at a committee meeting or subsequently, the Amundi Credit Risk Committee must analyse and approve the list once again.

The Amundi AM Broker Committees include Management Directors or their representatives, representatives of the Amundi Intermédiation trading desk, an operations manager, a Risk Control manager and a Compliance manager.

The manager may invest in the following derivatives:

- Type of markets:
  - regulated
  - organised
  - over-the-counter
- Risks in which the manager intends to trade:
  - equity
  - interest rate
  - currency
  - credit
- Types of transactions and description of all operations that must be limited to the achievement of the investment objective:
  - hedging
  - exposure
  - arbitrage
- Types of instruments used:
  - futures: interest rate
  - options: futures, interest rate, currencies
  - swaps: interest rate, currency, index
  - forward foreign exchange contracts
  - credit derivatives: Credit Default Swaps (CDS) and European CDS indices (iTraxx)

- Strategy for using derivatives to achieve the investment objective:

- interest rate risk hedging or exposure
- currency risk hedging or exposure,
- credit risk hedging or arbitrage
- arbitrage or entering into a volatility position
- constructing a synthetic exposure to particular assets or the above-mentioned risks.

The Fund may enter into credit derivatives – on credit default swaps (CDS) and European CDS indices (Itraxx) – either to hedge against credit or issuer default risk, or as part of arbitrage strategies, in order to anticipate upward or downward changes in these instruments or to exploit disparities between the credit risk market and that of the security for a single issuer or between two issuers. Purchasing protection reduces the risk of the portfolio while selling protection, which synthetically replicates the possession of a physical security, generates risk equivalent to the existing risk in the case of direct holding of the security.

Consequently, like the default of an issuer in the portfolio, the default of an underlying issuer to a credit derivative will have an impact on the net asset value. The CDS involve issuers whose rating is in compliance with those described under "Bond and money market instruments" above.

Currency options are used to adjust the allocation of currencies in the portfolio (exchange risk management) by exposing the portfolio to a currency or by hedging the portfolio exposure.

Interest rate swaps are used to hedge or expose the portfolio in view of interest rate trends.

Currency swaps are used in the EUR units to fully hedge exposure resulting from the securities portfolio. In the USD/GBP-denominated units, they are used to convert assets in USD/GBP into assets in euros.

Interest rate futures may be used for arbitraging sensitivity between various maturities of the interest rate curve.

The Fund's overall risk from derivatives must not exceed 100% of net assets.

#### **4. Embedded derivatives**

- Categories of risks in which the manager intends to trade:

- equity
- interest rate
- currency
- credit

- Types of transactions and description of all operations that must be limited to the achievement of the investment objective:

- hedging
- exposure
- arbitrage

- Types of instruments used:

- EMTNs
- BMTNs (Negotiable Medium-Term Notes)
- Credit-Linked Notes (CLNs)
- Loan Participation Note (LPN)
- Convertible bonds (in an ancillary manner and solely to the extent that their sensitivity to equity risk is insignificant)
- Puttable bonds
- Callable bonds

- Strategy for using embedded derivatives to achieve the investment objective:

- hedging the overall portfolio, particular risks, particular securities
- constructing synthetic exposure to particular assets or particular risks
- increase of market exposure and details on the leverage effect
- other strategy

By aggregating the positions on CDS, CLN, LPN and “Speculative Grade” securities (i.e. securities that may be rated BB+ to B- by Standard & Poor’s and Fitch or Ba1 to B3 by Moody’s), credit risk exposure shall not exceed 5% of net assets.

The overall risk linked to securities with embedded derivatives is limited to 100% of net assets.

The Fund’s overall risk arising from derivatives and securities with embedded derivatives must not exceed 100% of net assets.

## **5. Deposits**

The UCITS can lodge deposits for a maximum 12-month period. The deposits are used for cash management purposes and help the UCITS reach its management objectives.

## **6. Cash borrowings**

The UCITS may have a debit position up to a maximum 10% of its net assets to accommodate cash inflows and outflows (investments/disinvestments in progress, subscriptions/redemptions).

## **7. Transactions involving temporary acquisition/disposal of securities**

- Types of transactions used:

- repo and reverse repo agreements with reference to the French Monetary and Financial Code
- lending and borrowing of securities with reference to the French Monetary and Financial Code

These transactions will cover all the authorised assets, excluding UCIs, as described in point 2. “Assets used (except embedded derivatives)”. These assets are held with the Depositary.

- Types of transactions and description of all operations that must be limited to the achievement of the investment objective:

- cash management: through securities repurchase agreements
- optimisation of the Fund’s income
- possible contribution to the leverage effect of the UCITS

The fund’s overall risk arising from temporary purchases or sales of securities is limited to 100% of net assets.

The overall risk linked to derivatives and securities with embedded derivatives and to temporary purchases and sales of securities is limited to 100% of net assets.

The sum of the portfolio’s exposure to all the risks resulting from the overall risk and positions in real securities does not exceed 200% of net assets.

- Remuneration: see Costs and Fees section

Summary of proportions used:

<u>Types of transactions</u>	<u>Reverse repurchase agreements</u>	<u>Repurchase agreements</u>	<u>Securities lending</u>	<u>Securities borrowing</u>
<u>Maximum proportion of net assets</u>	100%	100%	90%	20%
<u>Expected proportion of net assets</u>	25%	25%	22.5%	5%

## **8- Information relating to collateral (temporary purchases and sales of securities and/or over-the-counter (OTC) derivatives including total return swaps (TRS)):**

### Type of collateral:

In the context of temporary acquisitions and sales of securities and OTC derivative transactions, the Fund may receive securities or cash as collateral.

Securities received as collateral must adhere to the criteria defined by the Management Company. They must be:

- liquid,
- transferable at any time,
- diversified in compliance with the eligibility, exposure and diversification rules of the UCITS,
- issued by an issuer that is not an entity of the counterparty or its group.

For bonds, the securities will also be issued by high-quality issuers located in the OECD whose minimum rating may be AAA to BBB- on the Standard & Poor's scale or a rating deemed equivalent by the Management Company. Bonds must have a maximum maturity of 50 years.

The criteria described above are detailed in a Risk Policy available on the Management Company's website at [www.amundi.com](http://www.amundi.com) and may be subject to change, particularly in the event of exceptional market circumstances.

The discounts that may be applied to the collateral received will take into account the credit quality, the price volatility of the securities and the results of the stress tests performed.

### Reuse of cash received as collateral:

Cash received as collateral may be reinvested in deposits, government bonds, repurchase agreements or short-term money market UCITS in accordance with the Management Company's Risk Policy.

### Reuse of securities received as collateral:

Not authorised: Securities received as collateral may not be sold, reinvested or provided as collateral.

## **► Risk profile:**

*Your money shall be invested primarily in financial instruments selected by the Management Company. These financial instruments are subject to market fluctuations.*

- **Capital risk:** investors are warned that their initial capital is not guaranteed and therefore may not be returned.

### The principal specific management-related risks are:

- **Interest rate risk:** The value of interest-rate instruments may vary due to changes in interest rates. It is measured by sensitivity.  
In periods when interest rates are rising strongly, the NAV may fall significantly.
- **Credit risk:** the risk of a fall in value of the securities of a private or public issuer or default of the latter. Depending on the direction of the Fund's trades, a fall (for buys) or a rise (for sells) in the value of the debt securities to which the Fund is exposed can lead to a fall in the Fund's net asset value.

### The principal specific management-related risks are:

- **Discretionary risks:** the discretionary management style used for the Fund is based on the selection of securities.

There is a risk that the Fund might not be invested in the best-performing markets at all times. The Fund may underperform the investment objective. Furthermore, the net asset value of the Fund may decline.

- **Risks of over-exposure:** The Fund may make use of forward financial instruments (derivatives) to generate overexposure and to increase the Fund's exposure in excess of net assets. Depending on the type of transaction the Fund enters into, a downward effect (in case of a purchase of exposure) or a rise in the underlying of the derivative (in case of a sell of exposure) may increase the risk of drop in the Fund's NAV compared to the risk related to investments in portfolio securities (excluding derivatives).

Other risks are:

- **Risk associated with the use of speculative (high-yield) securities:** this Fund must be considered as partially speculative and intended more particularly for investors who are aware of the risks inherent to investments in securities with low or no rating.  
Accordingly, the use of "High Yield" securities may result in a greater risk of decline in the net asset value.
- **Counterparty risk:** The Fund may use temporary purchases and sales of securities and/or OTC derivatives. These transactions are entered into with a counterparty and expose the Fund to a risk of default of the latter which may lower the net asset value of your Fund. Nevertheless, the counterparty risk may be limited by guarantees provided for the Fund in accordance with current regulations.
- **Liquidity risk:** The Fund is exposed to liquidity risk because the markets in which the Fund trades may occasionally be affected by a temporary lack of liquidity. These market disturbances may impact the price terms at which the Fund may have to liquidate, initiate or modify positions.
- **Currency risk (residual):** the risk that investment currencies lose value against the benchmark currency of the portfolio, the euro. If a currency drops compared to the Euro, the net asset value may fall.
- **Counterparty risk:** The UCITS uses temporary purchases and sales of securities and/or OTC derivative contracts, including total return swaps. These transactions, entered into with a counterparty, expose the UCITS to a risk of default and/or non-execution of the counterparty's unit return swap, which may have a significant impact on the UCITS' net asset value. This risk may not necessarily be offset by the collateral received.
- **Liquidity risk linked to temporary purchases and sales of securities and/or total return swaps (TRS):** The UCITS may be exposed to trading difficulties or a temporary inability to trade certain securities in which the UCITS invests or in those received as collateral, in the event of a counterparty defaulting on temporary purchases and sales of securities and/or total return swaps.
- **Legal risk:** the use of temporary purchases and sales of securities and/or total return swaps may create a legal risk, particularly relating to the swaps.

**Sustainability risk:** the risk relating to an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential negative material impact on the value of the investment

► **Eligible subscribers and standard investor profile:**

All subscribers: the P unit is intended more specifically for individuals, the E unit for companies and the I unit for institutional investors.

The DP unit is intended for clients of distribution platforms, in particular.

The CDN unit is intended for legal entities.

The B-C and B-D units are intended for major institutional investors

The S unit is reserved for direct and indirect investments associated with employee savings UCIs classified by the AMF as "bonds and other debt securities denominated in euros" and for UCIs or mandates dedicated to group retirement savings (specifically Articles 39 and 83 of the French General Tax Code) and pension funds governed by the IORP Directive (2003/41/EC), managed or promoted by Crédit Agricole group companies.

The R unit is strictly reserved for investors subscribing directly or via intermediaries providing portfolio management services under mandate and/or financial investment consultancy services not authorising them to retain retrocessions,



either contractually or pursuant to the MiFID II regulation or national legislation.

I3 units are intended for institutional investors

The PM unit is strictly reserved for the management under mandate of Crédit Agricole Group entities

The R2 unit is strictly reserved for the subscriber(s) authorised by the Management Company.

The Fund is particularly intended for subscribers seeking to boost the performance of the stable portion (12-month horizon) of their cash.

The recommended minimum investment period is 1 year. The amount that might be reasonably invested in this UCITS depends on each investor's personal situation. To determine this amount, investors should consider their personal assets, their current financial needs and the recommended investment period as well as their willingness to accept risks or their wish to invest cautiously. It is also highly recommended that investors sufficiently diversify their investments so as not to be exposed solely to the risks of this Fund.

This Fund's units cannot be offered or sold directly or indirectly in the United States of America (including its territories and possessions) to a U.S. Person as defined in U.S. "Regulation S" adopted by the Securities and Exchange Commission ("SEC").<sup>(1)</sup>

► **Date and frequency of NAV calculation:**

The net asset value is established on each Euronext Paris trading day, with the exception of official French public holidays.

► **Subscription and redemption conditions:**

Subscription and redemption requests are centralised each NAV calculation day at 12:25, except for those originating from feeder UCIs for which the cut-off time for centralisation is set at 16:00.

These requests are executed on the basis of the net asset value established on the next business day and calculated on the following business day thereafter.

Orders will be executed in accordance with the table below:

D-1	D-1	D: the net asset value calculation day	D+1 business day	D+1 business day	D+1 business day
Clearing before 12.25 pm. of subscription orders	Clearing before 12.25 pm. of redemption orders <sup>1</sup>	Execution of the order on D at the latest	Publication of the net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless any specific timescale has been agreed with your financial institution.

The persons wishing to acquire or subscribe units will be required to certify, at the time of any acquisition or subscription of units of the Fund, that they are not "U.S. Persons". Any unitholder who becomes a U.S. Person must immediately notify the Fund's management company of the change.

► **Establishments authorised and appointed by the management company to receive subscriptions and**

<sup>1</sup> The term "U.S. Person" means: (a) any individual residing in the United States of America; (b) any entity or company organised or incorporated under the laws of the United States; (c) any estate of which the executor or the administrator is a U.S. Person; (d) any trust of which any trustee is a U.S. Person; (e) any branch or subsidiary of a non-US entity located in the United States of America; (f) any non-discretionary account (other than an estate or trust) held by a financial intermediary or any other fiduciary organised, incorporated, or (if an individual) resident in the United States; (g) any discretionary account (other than an estate or trust) held by a financial intermediary or any other fiduciary organised, incorporated, or (if an individual) resident in the United States; and (h) any entity or company, if it is (i) organised or incorporated under the laws of any non-U.S. jurisdiction and (ii) formed by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act of 1933, as amended, unless it is organised or incorporated, and owned, by Accredited Investors (as defined in Rule 501(a) of the Act of 1933, as amended) who are not individuals, estates or trusts.

**redemptions:** CACEIS Bank, the branch office network of the regional banks of Crédit Agricole and branches of LCL (Le Crédit Lyonnais) in France

*Investors should note that orders sent to distributors other than the aforementioned institutions should take into account the fact that the cut-off time for the centralisation of orders applies to those distributors with CACEIS Bank France.*

*As a result, these distributors may apply their own cut-off time, which may precede the cut-off time mentioned above, so as to allow them to meet their order transmission deadline with CACEIS Bank France.*

► **Place and methods of publication or communication of the net asset value:**

The net asset value of the Fund is available on request from the Fund Manager and on the website: [www.amundi.com](http://www.amundi.com)

► **Features of the units:**

• **Minimum amount of the initial subscription:**

R2 units: 2,500 unit(s)  
DP units: 2 unit(s)  
I3-GBP units: 100 unit(s)  
I units: 2 unit(s)  
CDN-C units : 1 Unit(s)  
B-D units: 1 unit(s)  
B-C units: 1 unit(s)  
S-C units: 1 thousandth of a unit  
R-C units: 1 thousandth of a unit  
I-USD units: 2 unit(s)  
E units: 2 Unit(s)  
P units: one thousandth of a unit  
R1-C units: EUR 25,000,000  
PM units: 1 thousandth of a unit  
I3 EUR-C unit: 100 unit(s)  
I3 USD-C unit: 100 unit(s)

• **Minimum amount of a subsequent subscription:**

R2-C units: 1 thousandth of a unit  
DP units: 1 thousandth of a unit  
Unit I3-GBP: 1 thousandth of a unit  
I -USDunits: 1 thousandth of a unit  
CDN -Cunits: 1 unit(s)  
B-D unit: 1 thousandth of a unit  
B-C unit: 1 thousandth of a unit  
S -Cunits: 1 thousandth of a unit  
R -Cunits: 1 thousandth of a unit  
I units: 1 ten-thousandth of a unit  
E units: 1 thousandth of a unit  
P units: 1 thousandth of a unit  
R1 -Cunits: 1 thousandth of a unit  
PM-C units: 1 thousandth of a unit  
I3 EUR-C unit: 1 thousandth of a unit  
I3 USD-C unit: 1 thousandth of a unit

- **Decimalisation:**

R2-C units: Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

DP units: Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

I3-GBP units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

I units may be subscribed in ten-thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in ten-thousandths of units.

CDN-C units : Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

B-D units: Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

B-C unit: Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

S - C units: Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

R-C units: Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

USD I units:

Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

E units: Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

P units: Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

R1-C units: Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

PM-C units: Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

I3 EUR-C unit: Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

I3 USD-C unit: Units may be subscribed in thousandths of units, provided that the minimum subscription amounts have been respected. Redemptions are made in thousandths of units.

- **Initial Net Asset Value:**

R2-C units: 100,000.00 euros

DP units: 100,000.00 euros

I3-GBP units: 100,000.00 pounds sterling

I units: EUR 100,000.00

CDN-C units: 200,000.00 euros

B-D units: EUR 10,000.00

B-C unit: EUR 10,000.00

S-C units: EUR 1,000.00

R-C units: EUR 100.00

USD I units: 100,000.00 US dollars

E units: 10,000.00 euros

P units: 100.00 euros

R1-C units: EUR 100.00

PM-C units: EUR 100.00

I3 EUR-C unit: EUR 100,000.00

I3 USD-C unit: USD 100,000.00

- **Currency of the units:**

R2-C units: EUR  
DP units: Euro  
I3 GBP units: Pound sterling  
I units: Euro  
CDN-C units : Euro (EUR)  
B-D units: Euro  
B-C unit: Euro  
S - C units: Euro  
R-C unit: Euro  
USD I units: US dollar  
E units: Euro  
P units: Euro  
R1-C unit: Euro  
PM-C units: EUR  
I3 EUR-C unit: Euro  
I3 USD-C unit: US dollar

- **Allocation of net profit:**

B-C unit: Accumulation  
B-D unit: Distribution  
CDN-C units : Accumulation  
DP units: Accumulation  
E units: Accumulation  
I units: Accumulation  
USD I units: Accumulation  
I3 EUR-C unit: Accumulation  
I3 USD-C unit: Accumulation  
I3-GBP units: Accumulation  
P units: Accumulation  
PM-C units: Accumulation  
R-C units Accumulation  
R1-C units: Accumulation  
R2-C units: Accumulation  
S - C units: Accumulation

- **Allocation of net capital gains realised:**

R2-C units: Accumulation  
DP units: Accumulation  
I3 GBP units: Accumulation  
I units: Accumulation  
CDN-C units : Accumulation  
B-D units: Accumulation and/or distribution at the discretion of the Management Company  
B-C unit: Accumulation  
S - C units: Accumulation  
R-C units: Accumulation  
USD I units: Accumulation  
E units: Accumulation  
P units: Accumulation  
R1-C unit: Accumulation  
PM-C units: Accumulation  
I3 EUR-C unit: Accumulation  
I3 USD-C unit: Accumulation

- ▶ **Costs and fees:**

- **Subscription and redemption fees:**

*Subscription and redemption fees increase the subscription price paid by the investor, or reduce the redemption price. Fees are retained by the Fund to offset the costs incurred by the Fund in investing or liquidating the amounts involved. Fees not accruing to the Fund are due to the Management Company, the Promoter, etc.*

Fees paid by the investor, charged at subscription and redemption	Basis	Interest rate
Subscription fees not accruing to the Fund	NAV x Number of units	R2-C units: None
		DP units: None
		I3 GBP units: None
		I units: None
		CDN-C units: None
		B-D units: maximum 10.00%
		B-C unit: maximum 10.00%
		S-C units: maximum 10.00%
		R-C units: None
		USD I units: None
		E units: None
		P units: maximum 0.50%
		R1-C units: None
		PM-C units: maximum 10.00%
		I3 EUR-C unit: None
I3 USD-C unit: None		
Subscription fees accruing to the Fund	NAV x Number of units	None
Redemption fees not accruing to the Fund	NAV x Number of units	R2-C units: None
		DP units: None
		I3 GBP units: None
		I units: None
		CDN-C units: None
		B-D units: None
		B-C unit: None
		S-C units: None
		R-C units: None
		USD I units: None
		E units: None
		P units: None
		R1-C units: None
		PM-C units: None
		I3 EUR-C unit: None
I3 USD-C unit: None		
Redemption fees accruing to the Fund	NAV x Number of units	None

**- Administrative and management fees:**

*These fees cover all expenses billed directly to the UCITS, except for transaction costs. Transaction costs include intermediary costs (brokerage, stock market taxes, etc.) as well as transaction fees, if any, that may be charged particularly by the Depositary and the Management Company.*

*The following fees may be charged on top of management and administration fees:*

- performance fees. These reward the Management Company when the UCITS exceeds its objectives. They are therefore charged to the UCITS;*
- transaction fees invoiced to the UCITS;*
- fees related to the temporary purchases and sales of securities.*

	Fees charged to the Fund	Basis	Rate structure
P1 — P2	Financial management fees <hr/> Administrative fees external to the management company	Net assets	B-C units: 0.40 % maximum incl. taxes
			B-D unit: 0.40 % maximum incl. taxes
			CDN-C units : 0.40 % maximum incl. taxes
			DP units: 0.65 % maximum incl. taxes
			E units: 0.60 % maximum incl. taxes
			I units: 0.40 % maximum incl. taxes
			USD I units: 0.40 % maximum incl. taxes
			I3 EUR-C unit: 0.50% maximum incl. taxes
			I3 USD-C unit: 0.50% maximum incl. taxes
			I3 GBP units: 0.50 % maximum incl. taxes
			EUR P units: 0.70 % maximum incl. taxes
			PM-C units: 0.70 % maximum incl. taxes
			R-C units: 0.40 % maximum incl. taxes
R1-C units: 0.40 % maximum incl. taxes			
R2-C units: 0.50 % maximum incl. taxes			
S - C units: maximum 0.10 % incl. tax			
P3	Maximum indirect fees (fees and management fees)	Net assets	None
P4	Turnover commissions Received by the Depositary ***** Charged by the Fund Manager on foreign exchange transactions and by Amundi Intermediation on any other instrument.	Levied on each transaction or operation	Flat fee of between EUR 0 and 113 inclusive of tax depending on the market. ***** Flat fee of €1 per contract (futures/options) + proportional fee of between 0% and 0.10% depending on financial instrument (securities, currencies, etc.)
P5	Performance fees	Net assets	B-C units: 15.00% p.a. of any gain above that of the reference asset
			B-D unit: 15.00% p.a. of any gain above that of the reference asset
			CDN-C units: 15.00% p.a. of any gain above that of the reference asset
			DP units: 15.00% p.a. of any gain above that of the reference asset
			E units: 15.00% p.a. of any gain above that of the reference asset
			I units: 15.00% p.a. of any gain above that of the reference asset
			I-USD units: 15.00% p.a. of any gain above that of the reference asset
			I3 EUR-C unit: None
			I3 USD-C unit: None
			I3 GBP units: None
			P units: 15.00% p.a. of any gain above that of the reference asset
PM-C units: 15.00% p.a. of any gain above that of the			



reference asset
R-C units: 15.00% p.a. of any gain above that of the reference asset
R1-C units: 15.00% p.a. of any gain above that of the reference asset
R2-C units: None
S-C units: 30.00% p.a. of any gain above that of the reference asset

The following costs may be added to the fees invoiced to the UCITS as listed above:

- Exceptional legal costs associated with the recovery of the UCITS' debts;
- Costs related to fees due to the AMF from the Management Company in connection with its management of the UCITS.

Administrative and management fees are charged directly to the Fund's Income Statement.

#### **- Performance fee:**

The calculation of the performance fee applies to each unit concerned and on each calculation date of the net asset value. It is based on the comparison between:

The net assets of the unit (before deduction of the performance fee) and

The "reference assets" which represent the net assets of the unit (before deduction of the performance fee) on the first day of the observation period, adjusted for subscriptions/redemptions at each valuation, to which the following is applied:

- For the S-C unit (EUR): the performance of the capitalised EONIA benchmark index, plus 0.80% per annum less the maximum fixed management fees associated with the unit.
- For the other EUR units (B-C/B-D/CDN-C/DP/E/I/P/PM-C/R-C/R1-C): the performance of the capitalised EONIA benchmark index.
- For the USD unit: the performance of the Fed Funds benchmark index.

This comparison is performed over an observation period of one year where the anniversary date corresponds to the day the last net asset value of May is established.

As an exception, for the PM (C) unit, the first observation period will begin on 03 February 2020 and end on 31 May 2021.

If, during the observation period, the net assets of the unit (before deduction of the performance fee) are higher than the reference assets defined above, the performance fee will be:

- 15% of the difference between these two assets (for B-C/B-D/CDN-C/DP/E/I/I USD/P/PM-C/R-C/R1-C units)
- 30% of the difference between these two assets (for the S-C unit)

This fee will be subject to a provision when the net asset value is calculated. In the event of a redemption, the portion of the provision corresponding to the number of units redeemed accrues to the management company.

If, during the observation period, the net assets of the unit (before deduction of the performance fee) are lower than the reference assets, the performance fee will be nil and will be subject to a provision reversal when the net asset value is calculated. Provision reversals are capped at the level of previous allocations.

This performance fee will only be definitively charged if, on the day of the last net asset value of the observation period, the net assets of the unit (before deduction of the performance fee) are higher than the reference assets. "

#### **Securities lending and repurchase transactions:**

As part of securities lending and repurchase transactions, Amundi AM, a subsidiary of Amundi, has entrusted Amundi Intermédiation, in the context of service provision, on behalf of the UCI, with executing transactions, undertaking in particular:

- consultancy services related to selecting counterparties;
- market contracts set up requests;

- qualitative and quantitative monitoring of the collateralisation (management of diversification, ratings, liquid assets, etc.), of repurchase agreements and securities lending.

Income from such transactions is returned to the UCI. These transactions generate costs that are paid by the UCI. Amundi Intermédiation's billing may not exceed 50% of the revenues generated by these transactions.

Such transactions carried out by Amundi Intermédiation, a company that is part of the same group as the Management Company, creates a potential conflict of interest.

## **Selection of intermediaries**

### **Policy for selecting counterparties of OTC derivative contracts or of temporary sales of securities**

The Management Company implements a counterparty selection policy, in particular when entering into temporary purchases and sales of securities and certain derivatives.

Amundi Intermédiation provides Amundi AM with an indicative list of counterparties, the eligibility of which is approved beforehand by the Amundi Group Credit Risk Committee, concerning the aspects of counterparty risk. This list is then approved by Amundi AM at ad-hoc meetings of its "Broker Committees". The purpose of the Broker Committees is to:

- monitor volumes (share broking and net amounts for other products) by intermediary/counterparty, instrument type and market, where applicable;
- express their opinion on the quality of the service provided by the Amundi Intermédiation trading desk;
- carry out a review of the brokers and counterparties, and draw up the list for the coming period. Amundi AM may decide to limit the list or ask to extend it. If Amundi AM proposes to extend the list of counterparties, at a committee meeting or subsequently, the Amundi Credit Risk Committee must analyse and approve the list once again.

The Amundi AM Broker Committees include Management Directors or their representatives, representatives of the Amundi Intermédiation trading desk, an operations manager, a Risk Control manager and a Compliance manager.

In order to justify inclusion in the Amundi Intermédiation shortlist, counterparties are assessed by several teams, which give opinions on various criteria:

- counterparty risk: the Amundi Credit Risk team, under the governance of the Amundi Group Credit Risk Committee, is in charge of assessing each counterparty on the basis of precise criteria (shareholding, financial profile, governance, etc.);
- quality of order execution: the operational teams charged with the execution of orders within the Amundi Group assess the execution quality based on a series of factors depending on the type of instruments and markets concerned (quality of trading information, prices obtained, quality of settlement, etc.);
- quality of post-execution processing.

The selection is based on the principle of selectivity of the best counterparties in the market and aims to select a limited number of financial institutions. Financial institutions of an OECD country with a minimum rating ranging from AAA to BBB- on Standard & Poor's rating scale or with a rating deemed equivalent by the Management Company are primarily selected when setting up the transaction.

### **Broker selection policy**

At meetings of the Broker Committees, the Management Company also draws up a list of approved brokers, based on recommendations by Amundi Intermédiation. The Management Company may extend or adjust this list, as necessary, in accordance with pre-determined selection criteria.

The selected brokers will be monitored regularly in accordance with the Management Company's Performance Policy.

In order to justify inclusion in the Amundi Intermédiation shortlist, brokers are assessed by several teams, which give opinions on the basis of various criteria:

- a universe that is restricted to brokers which enable transactions to be paid for/delivered on a delivery versus payment basis or cleared listed derivatives;
- quality of order execution: the operational teams charged with the execution of orders within the Amundi Group assess the execution quality based on a series of factors depending on the type of instruments and markets concerned (quality of trading information, prices obtained, quality of settlement, etc.);
- quality of post-execution processing.

## IV – COMMERCIAL INFORMATION

### **Circulation of Fund information:**

The prospectus, the latest annual reports and interim statements are available from the management company:

Amundi Asset Management  
Customer Services  
90, Boulevard Pasteur – 75015 Paris

The Fund's NAV is available on request from the Fund Manger and on the website: [www.amundi.com](http://www.amundi.com)

Unitholders are informed of any changes affecting the Fund in accordance with the procedures defined by the French Market Regulator (AMF): individual information or by any other method (financial notice, interim report, etc.).

### **Disclosure of the UCITS' portfolio composition:**

The management company may disclose, directly or indirectly, the composition of the UCITS' portfolio to unitholders of the UCITS who qualify as professional investors governed by the ACPR, the AMF or the equivalent European authorities, solely for the purpose of calculating the regulatory requirements related to the Solvency II Directive. If applicable, this information must be disclosed once more than 48 hours has passed since the publication of the net asset value.

Financial notices may be published in the press and/or on the Management Company's website: [www.amundi.com](http://www.amundi.com) in the News-and-documentation/Financial-Notices section.

### **Respect by the Fund of criteria relating to social, environmental and governance quality objectives (SEG):**

The Management Company provides investors with information on how the UCITS's investment policy takes account of the criteria for compliance with ESG objectives. This information can be found on the Management Company's website ([www.amundi.com](http://www.amundi.com)) and in the UCITS's annual report (for periods beginning on or after 1 January 2012).

### **Regulation (EU) 2019/2088 on sustainabilityrelated disclosures in the financial services sector (the “Disclosures Regulation”)**

As a financial market participant, the management company of the UCI is governed by Regulation (EU) 2019/2088 of 27 November 2019 on sustainabilityrelated disclosures in the financial services sector (the “Disclosures Regulation”).

This Regulation lays down harmonised rules for financial market participants on transparency with regard to the integration of sustainability risks (Article 6 of the Regulation), the consideration of negative sustainability impacts, the promotion of environmental or social characteristics in the investment process (Article 8 of the Regulation) and sustainable investment objectives (Article 9 of the Regulation).

Sustainability risk is defined as an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential negative material impact on the value of the investment.

Sustainable investment means an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy; or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations; or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, staff remuneration and tax compliance.

## V – INVESTMENT RULES

The Fund adheres to the investment rules laid down by the French Monetary and Financial Code that are applicable to its category.

In particular, the Fund may invest up to 35% of its assets in eligible financial securities and money-market instruments issued or guaranteed by any government or authorised public or semi-public institution.

## VI – GLOBAL RISK

### Global risk ratio calculation method:

The Commitment Approach

## VII - ASSET VALUATION AND ACCOUNTING RULES

### Principle

General accounting conventions are applied in compliance with the following principles:

- continuity of trading,
- consistency of accounting methods from one year to the next,
- independent financial years.

The standard method for recognising assets in the accounts is the historic cost method, except for portfolio valuation.

### Asset valuation rules

The net asset value of the units is calculated in accordance with the following valuation rules:

- Securities traded in a regulated market (French or foreign), are valued at market price. In line with the terms and conditions agreed, the benchmark market price is valued at the latest stock market price.

Differences between the market prices used to calculate the net asset value and the historic cost of the securities in the portfolio are recognised in an account entitled “Estimation differences”.

However:

- Securities for which a price has not been recorded on the valuation date or for which the price has been corrected, are valued at their probable trading value as estimated by the Management Company. The Independent Auditor is informed of these valuations and their justification when conducting audits.
- Negotiable debt securities and similar securities are valued on an actuarial basis, using a benchmark described below, plus a difference representing the intrinsic value of the issuer, where applicable:
  - Negotiable debt securities with a maturity of less than or equal to 1 year: Interbank rate in euros (Euribor)
  - Swapped negotiable debt securities: valued using the OIS (Overnight Indexed Swaps) curve
  - Negotiable debt securities with a term exceeding three months (money market UCIs): valued using the OIS (Overnight Indexed Swaps) curve
  - Negotiable debt securities with maturity of over 1 year: Rates for French treasury bills (BTAN and OAT) with similar maturity dates for the longest durations.

Negotiable debt instruments with three months or less to run will be valued according to the linear method.

Treasury notes are valued at the market rate, provided daily by the Treasury Securities Specialists.

- UCI shares or units are measured at the last known net asset value.
- Securities not traded in a regulated market are valued by the Management Company at their likely trading value. Their valuation is based on their assets and yield, taking into account the prices used in recent major transactions. Investment fund units or shares are valued at the last known net asset value or, if necessary, based on available estimates under the control and the responsibility of the Management Company.
- Monetary investments, deposits and financial instruments held in the portfolio and denominated in foreign currencies are translated into the accounting currency of the UCITS at the exchange rate on the valuation date.
- Securities, which are covered by a temporary disposal or acquisition contract, are valued in accordance with the legislation in force, and the methods for application are determined by the Management Company.

Securities received under repurchase agreements are recorded in the buy portfolio under the heading "Debt representing securities received as part of repurchase agreements" at the amount stated in the contracts, plus any interest receivable. Securities lent under repurchase agreement are posted in long portfolios at their stock market price. Interest receivable and payable for repurchase transactions is calculated pro rata. Liabilities representing securities lent under repurchase agreements are posted in short portfolios at the value set forth in the agreement, plus any accrued interest due. On settlement, the interest received and paid is shown as debt revenues.

Loaned securities are valued at market price. The indemnity collected in relation to these securities is recorded under revenues on debt securities. Accrued interest is included in the market value of the loaned securities.

- Transactions on firm forward financial agreements or options traded in organised markets (French or foreign) are valued at market value according to procedures specified by the Management Company. Contracts on forward markets are valued at the settlement price.

#### Valuation of collateral:

Collateral is valued daily at market price (mark-to-market method).

The discounts that may be applied to the collateral received will take into account the credit quality, the price volatility of the securities and the results of the stress tests performed.

Margin calls are made daily, unless otherwise stipulated in the framework contract covering these transactions or if the Management Company and the counterparty have agreed to apply a trigger threshold.

- - Futures or options or swap transactions on OTC markets as authorised under the laws and regulations governing UCIs are valued at market value or at an estimated value under arrangements specified by the Management Company. Interest rate and/or currency swap contracts are valued at their market value based on the price calculated by discounting future cash flows (principal and interest), at the market interest rates and/or currency rates. This price is adjusted for issuer risk.

#### **Recognition method**

Securities entering and leaving the portfolio are recognised excluding costs.

Revenues are recognised when received.

Revenues consist of:

- income from securities,
- dividends and interest received on foreign securities, at the foreign currency rate,
- cash proceeds in foreign currency, loan income, and revenue from lending of securities and other investments.

The following deductions are made from these revenues:

- management fees,

- financial expenses and charges on the lending and borrowing of securities and other investments.

#### **Off-balance sheet commitments**

Futures contracts are entered at their market value as off-balance sheet commitments at the settlement price. Options are converted into their underlying equivalent. OTC interest rate swaps are valued on the basis of the nominal value, plus or minus the corresponding estimation difference.

#### **Income accruals account**

Income accrual accounts ensure fair allocation of income among unitholders, regardless of the subscription or redemption date.

#### **Swing pricing mechanism**

Significant subscriptions and redemptions may impact the NAV because of the portfolio adjustment costs related to investment and divestment transactions. This cost may originate from the difference between the transaction price and the valuation prices, or taxes.

For the purposes of preserving the interests of the unitholders or shareholders present in the UCI, the Management Company may decide to apply a swing pricing mechanism to the UCI with a trigger threshold.

As a result, as long as the absolute value of the balance of subscriptions and redemptions of all shares together is greater than the preset threshold, there will be an adjustment to the NAV. Consequently, the NAV will be adjusted upwards (or downwards) if the balance of subscriptions and redemptions is positive (or negative); the objective is to limit the impact of these subscriptions and redemptions on the NAV of the shareholders present in the UCI.

This trigger threshold is expressed as a percentage of the total assets of the UCI.

The level of the trigger threshold and the NAV adjustment factor are determined by the Management Company and are reviewed on a quarterly basis at a minimum.

Due to the application of swing pricing, the volatility of the UCI may be not only derived from the assets held in the portfolio.

In accordance with the regulations, only those in charge of its implementation know the details of this mechanism, including the percentage of the trigger threshold.

## **VIII – REMUNERATION**

The management company has adopted the remuneration policy of the Amundi group, to which it belongs.

The Amundi group has implemented a remuneration policy adapted to its organisation and its activities. This policy is designed to regulate practices regarding the different remunerations of employees authorised to make decisions, exercise control functions or take risks within the group.

This remuneration policy was defined taking account of the economic strategy, objectives, values and interests of the group, management companies belonging to the group, UCITS managed by group companies and their unitholders. The objective of this policy is to not encourage excessive risk-taking, in particular through the non-observance of the risk profile of the managed UCITS.

Furthermore, the management company has implemented suitable measures to prevent conflicts of interest.

The remuneration policy is adopted and supervised by the Board of Directors of Amundi, the parent company of the Amundi group.

The remuneration policy is available on the website [www.amundi.com](http://www.amundi.com) or free of charge upon written request from the

management company.

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