PROSPECTUS

Relating to the permanent offer of Shares of the Investment Company with Variable Capital ("**SICAV**") under Luxembourg law and with multiple Sub-Funds

La Française LUX

The shares (each a "**Share**") of the various sub-funds (each a "**Sub-Fund**") of the investment company with variable capital La Française LUX (the "**Company**") may only be subscribed on the basis of the information contained in the present prospectus, including the appendices of each Sub-Fund as they are mentioned in the present document and giving a descriptive of the different Sub-Funds of the Company (the "**Prospectus**").
The present Prospectus may only be distributed together with the latest annual report of the Company and the latest semi-annual report of the Company published after the said annual report.

No other information may be given other than that stated in the present Prospectus, in the key investor information document and in the documents mentioned therein, which are available to the public.

September 2017

La Française LUX
60, Avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

List of active Sub-Funds

Name of the Sub-Funds	**Reference currency**
La Française LUX – GTS Réactif	EUR
La Française LUX – Inflection Point European Equity	EUR
La Française LUX – Inflection Point Leaders Emergents	EUR
La Française LUX – Inflection Point Global Equity	EUR
La Française LUX – Euro Inflation	EUR
La Française LUX – Multistrategies Obligataires	EUR
La Française LUX – Obligations Emergentes	EUR
La Française LUX – Absolute Emerging Debt	EUR
La Française LUX – Protectaux	EUR
La Française LUX – Rendement Global 2020 - USD	USD
La Française LUX – Allocation	EUR
La Française LUX – Forum Global Real Estate Securities	EUR
La Française LUX – Inflection Point Zero Carbon	EUR
La Française LUX – JKC Asia Bond	USD
La Française LUX – Multi-Asset Income	EUR
La Française LUX – Inflection Point Gonet Swiss Equity	CHF
La Française LUX – Inflection Point Actions Euro	EUR
La Française LUX – JKC Asia Bond 2023	USD
La Française LUX – Sustainable Real Estate Securities	USD

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DISCLOSURE

The Company was created on 28 October 1998.

Prior to considering subscription to Shares, prospective investors are recommended to carefully read the present prospectus and examine the last annual report of the Company, copies of which may be obtained from BNP Paribas Securities Services, Luxembourg Branch and from companies ensuring the financial services and the distribution of the Shares of the Company. Subscription applications may only be made on the basis of the conditions and methods stipulated in the present Prospectus. Prior to investing in the Company, prospective investors should request appropriate advice from their own legal, tax and financial advisors.

No other information may be given other than that stated in the Prospectus and in the documents mentioned therein, which are available to the public.

The Company is authorised as an undertaking for collective investment in transferable securities (a "**UCITS**") in Luxembourg, where its Shares may be offered and sold. The present Prospectus is neither an offer nor a solicitation of sale. It may not be used for such a purpose in any jurisdiction where this would not be allowed, nor may it be distributed to any persons prohibited from purchasing such Shares.

None of the Shares have been registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), or under the securities laws of any state or political subdivision of the United States of America or any of its territories, possessions or other areas subject to its jurisdiction including the Commonwealth of Puerto Rico (the "**United States**"). The Company has not been registered with the US Securities and Exchange Commission under the United States Investment Company Act of 1940, as amended, nor under any other US federal laws. Consequently, this document has not been approved by the above-mentioned authority.

Accordingly, no Shares may therefore be directly or indirectly offered or sold to US Persons in the United States, except in connection with transactions in compliance with applicable law.

For the purposes of this Prospectus, a US Person includes, but is not limited to, a person (including a partnership, corporation, limited liability company or similar entity) that is a citizen or a resident of the United States or is organized or incorporated under the laws of the United States or a person that meets the substantial presence test or any other person that is not a foreign person. Shares will only be offered to a US Person at the sole discretion of the Board of Directors. Certain restrictions also apply to any subsequent transfer of Shares in the United States or to US Persons. Should a shareholder of the Company (a "**Shareholder**") become a US Person, he may be subject to US withholding taxes and tax reporting.

Any failure to abide by these restrictions may stand as a breach of US laws on transferable securities. The board of directors of the Company (the "**Board of Directors**") may compulsory redeem any Shares purchased or held by US Persons inclusive any investors who would become US Persons subsequent to the purchase of Shares.

If you are in any doubt as to your status, you should consult your financial or other professional adviser. Please refer to Section IX 1. C. for general information related to the United States tax withholding and reporting under the Foreign Account Tax Compliance Act ("**FATCA**").

Considering the economic and stock exchange risks, no guaranty can be given that the Company shall achieve its investment objectives; as a consequence, the value of the Shares may decrease as well as increase.

ORGANISATION OF THE COMPANY

REGISTERED OFFICE:

60, Avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

BOARD OF DIRECTORS:

Chairman:

Alain GERBALDI
LA FRANCAISE AM INTERNATIONAL
2, boulevard de la Foire
L-1528 Luxembourg
Grand Duchy of Luxembourg

Directors:

Pascale AUCLAIR
LA FRANCAISE ASSET MANAGEMENT
128 Boulevard Raspail
F-75006 Paris
France

Isabelle KINTZ
LA FRANCAISE AM INTERNATIONAL
2, boulevard de la Foire
L-1528 Luxembourg
Grand Duchy of Luxembourg

Andrea BERTOCCHINI
LA FRANCAISE AM INTERNATIONAL
2, boulevard de la Foire
L-1528 Luxembourg
Grand Duchy of Luxembourg

Joël KONOP
LA FRANCAISE ASSET MANAGEMENT
128, Boulevard Raspail F-75006 Paris

France

MANAGEMENT COMPANY

LA FRANCAISE AM INTERNATIONAL
2, boulevard de la Foire
L-1528 Luxembourg
Grand Duchy of Luxembourg

Supervisory Board of the Management Company *(Conseil de Surveillance)*:

Chairman:

Patrick RIVIERE
La Française group
128, Boulevard Raspail F-75006 Paris
France

Members

Christian DESBOIS
CREDIT MUTUEL NORD EUROPE
4 place Richebé
59000 Lille

Pierre LASSERRE
La Française group
128, Boulevard Raspail F-75006 Paris
France

Management Board of the Management Company (*Directoire)*:

Chairman:

Philippe LECOMTE
LA FRANÇAISE AM INTERNATIONAL
(Chief Executive Officer)
2, boulevard de la Foire
L-1528 Luxembourg
Grand Duchy of Luxembourg

Members:

Philippe VERDIER
LA FRANÇAISE AM INTERNATIONAL
(Conducting Officer)
2, boulevard de la Foire
L-1528 Luxembourg
Grand Duchy of Luxembourg

Isabelle KINTZ
LA FRANÇAISE AM INTERNATIONAL
(Conducting Officer)
2, boulevard de la Foire
L-1528 Luxembourg
Grand Duchy of Luxembourg

Alain GERBALDI
LA FRANÇAISE AM INTERNATIONAL
(Conducting Officer)
2, boulevard de la Foire
L-1528 Luxembourg
Grand Duchy of Luxembourg

Thierry GORTZOUNIAN
LA FRANCAISE AM FINANCE SERVICES
128, Boulevard Raspail
75006 Paris
France

Riccardo RICCIARDI
LA FRANÇAISE AM INTERNATIONAL Milan Branch
(Chairman)
Via Dante 14
20121 Milano
Italy

DEPOSITARY, DOMICILIATION AND LISTING AGENT

BNP Paribas Securities Services, Luxembourg Branch
60, Avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

ADMINISTRATIVE AGENT

BNP Paribas Securities Services, Luxembourg Branch
60, Avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

AUTHORISED AUDITORS

DELOITTE AUDIT
560, rue de Neudorf
L-2220 Luxembourg
Grand Duchy of Luxembourg

INVESTMENT MANAGERS - INVESTMENT ADVISORS

For the Sub-Funds: La Française LUX - Inflection Point European Equity / La Française LUX - Inflection Point Leaders Emergents / La Française LUX - Inflection Point Global Equity / La Française LUX - Inflection Point Zero Carbon

Investment Manager: La Française Inflection Point
128, Boulevard Raspail F-75006 Paris
France

For the Sub-Funds: La Française LUX - GTS Réactif / La Française LUX - Euro Inflation / La Française LUX - Multistatrégies Obligataires / La Française LUX - Obligations Emergentes / La Française LUX - Absolute Emerging Debt / La Française LUX - Protectaux / La Française LUX - Rendement Global 2020 – USD / La Française LUX – Allocation

Investment Manager: LA FRANCAISE ASSET MANAGEMENT
128, Boulevard Raspail F-75006 Paris
France

For the Sub-Fund: La Française LUX – Inflection Point Actions Euro

Investment Manager: La Française Inflection Point
128, Boulevard Raspail F-75006 Paris
France

Sub-Investment Manager: La Française Investment Solutions
128, Boulevard Raspail, F-75006 Paris
France

For the Sub-Fund: La Française LUX – Multi-Asset Income

Investment Manager: LA FRANCAISE ASSET MANAGEMENT
128, Boulevard Raspail F-75006 Paris
France

Sub-Investment Manager: LA FRANCAISE INFLECTION POINT
128, Boulevard Raspail F-75006 Paris
France

Sub-Investment Manager: La Française Forum Securities (UK) Limited
78 Brook Street
London
W1K 5EF
United Kingdom

For the Sub-Fund: La Française LUX - Forum Global Real Estate Securities

Investment Manager: La Française Forum Securities (UK) Limited
78 Brook Street
London
W1K 5EF
United Kingdom

For the Sub-Fund: La Française LUX – JKC Asia Bond / La Française LUX – JKC Asia Bond 2023

Investment Manager: JK Capital Management Ltd.
Suite 1101, Chinachem Tower,
34-37 Connaught Road Central
Hong Kong
China

Investment Advisor: LA FRANCAISE ASSET MANAGEMENT
128, Boulevard Raspail F-75006 Paris
France

For the Sub-Fund: La Française LUX – Inflection Point Gonet Swiss Equity

Investment Manager: Gonet & Cie, Geneva
boulevard du Théâtre 6
1204 Geneva
Switzerland

Investment Advisor: Inflection Point Capital Management UK LTD, London
78 Brook Street
London W1K 5EF
United Kingdom

For the Sub-Fund: La Française LUX - Sustainable Real Estate Securities

Investment Manager: La Française Forum Securities (UK) Limited
78 Brook Street
London
W1K 5EF
United Kingdom

Investment Advisor: Inflection Point Capital Management UK LTD, London
78 Brook Street
London W1K 5EF
United Kingdom

IMPORTANT INFORMATION

The Company is registered on the official list of undertakings for collective investment in accordance with the law of 17 December 2010 relating to undertakings for collective investment (the "**2010 Law**") and the law of 10 August 1915 on commercial companies, as both may be amended from time to time. In particular, it is subject to the provisions of **Part I of the 2010 Law** which relates specifically to undertakings for collective investment as defined by the European Directive 2009/65/EC, as amended. However, this registration does not require an approval or disapproval of the *Commission de Surveillance du Secteur Financier*, the Luxembourg supervisory authority for the financial sector ("**CSSF**") as to the suitability or accuracy of this Prospectus or any key investor information document ("**KIID**") generally relating to the Company or specifically relating to any Sub-Fund. Any representation to the contrary would be unauthorised and unlawful.

The Company's Board of Directors has taken all possible precautions to ensure that the facts indicated in the Prospectus are accurate and that no point has been omitted which could render any information as erroneous. All of the directors accept their responsibility in this matter.

Any information or representation not contained in the Prospectus, KIID, appendices of each Sub-Fund (the "**Appendix (ces)**" and/or "**Appendix 1**") or in the periodic reports that form an integral part thereof, should be considered unauthorised. Neither the remittance of the Prospectus, KIID, or the offer, issue or sale of Shares in any one Share class in the capital of the Company shall constitute a representation that the information given in the Prospectus is correct as of any time other than the date stipulated in the legal documentation. In order to take important changes such as the opening of a new Sub-Fund, new categories and/or new classes of shares ("**Classes of Shares**" or "**Classes**") into account, the Prospectus and its Appendices shall be updated at the appropriate time. Subscribers are therefore advised to contact the Company in order to establish whether any later Prospectus and/or KIID have been published. Prospective subscribers and purchasers of Shares are thus advised to enquire as to the possible tax consequences, legal controls, foreign exchange restrictions and controls they may face in the countries of their domicile or of which they are national or resident, which may regulate the subscription, purchase, holding or sale of Shares.

Data Protection

Pursuant to data protection law applicable in Luxembourg, the Company, the Management Company, the Administrative Agent and other service providers and their affiliates may collect, store, and process by electronic or other means the personal data supplied by investors, at the time of their subscription for the purpose of fulfilling the services required by the Shareholders and complying with their respective legal obligations, whereby a Shareholder is a holder of Share(s) entitled to an undivided co-ownership of the assets and liabilities comprising the relevant Sub-Fund and to participate and share in the gross income of the relevant Sub-Fund, registered by the Management Company, respectively the register and transfer agent appointed by the Management Company, in the Shareholder register as the owner of the Shares.

In particular, the data supplied by investors is processed for the purpose of:

(i) maintaining the register of Shareholders,
(ii) processing subscriptions, redemptions and conversions of Shares and payments of dividends to Shareholders,
(iii) performing controls on late trading and market timing practices,
(iv) carrying out the services provided by the entities mentioned above as well as

(v) complying with applicable company law, anti-money laundering rules, FATCA rules, common reporting standard ("**CRS**") or similar laws and regulation (e.g. at OECD or EU level).

By subscribing for Shares of the Company, investors consent to the aforementioned processing of their personal data and in particular, the disclosure of their personal data to, and the processing of their personal data by the parties referred to above including affiliates situated in countries outside of the European Union which may not offer a similar level of protection as the one deriving from Luxembourg data protection law. Investors acknowledge that the transfer of their personal data to these parties may occur via, and/or their personal data may be processed by, parties in countries (such as, but not limited to, the United States) which may not have data protection requirements deemed equivalent to those prevailing in the European Union.

Investors acknowledge and accept that failure to provide relevant personal data requested by the Company, the Management Company and/or the Administrative Agent in the course of their relationship with the Company may prevent them from maintaining their holdings in the Company and may be reported by the Company, the Management Company and/or the Administrative Agent to the relevant Luxembourg authorities.

Investors acknowledge and accept that the Company, the Management Company or the Administrative Agent will report any relevant information in relation to its investments in the Company to the Luxembourg tax authorities which will exchange this information on an automatic basis with the competent authorities in the United States or other permitted jurisdictions as agreed in the FATCA Law, CRS on OECD and EU levels or equivalent Luxembourg legislation.

Each Shareholder has a right to access his/her/its personal data and may ask for a rectification or deletion thereof in cases where such data is inaccurate and/or incomplete. In relation thereto, each Shareholder has the right to ask for a rectification by a letter addressed to the Company.

The Shareholder has a right of opposition regarding the use of its personal data for marketing purposes. This opposition can be made by a letter addressed to the Company.

Reasonable measures have been taken to ensure confidentiality of the personal data transmitted between the parties mentioned above. However, due to the fact that the personal data is transferred electronically and made available outside of Luxembourg, the same level of confidentiality and the same level of protection in relation to data protection law as currently in force in Luxembourg may not be guaranteed while the personal data is kept abroad.

The Company will accept no liability with respect to any unauthorised third party receiving knowledge and/or having access to the investor's personal data, except in the event of wilful negligence or gross misconduct of the Company.

Personal data shall not be held for longer than necessary with regard to the purpose of the data processing, subject always to applicable legal minimum retention periods.

Investor Responsibility

Prospective investors should review this Prospectus and each relevant KIID carefully in its entirety and consult with their legal, tax and financial advisors in relation to:

(i) the legal requirements within their own countries for the subscription, holding, redemption or disposal of Shares;

(ii) any foreign exchange restrictions to which they are subject in their own country in relation to the subscription, holding, redemption or disposal of Shares; and

(iii) the legal, tax, financial or other consequences of subscribing for, holding, redeeming or disposing of Shares. Prospective investors should seek the advice of their legal, tax and financial advisors if they have any doubts regarding the contents of this Prospectus and each KIID.

FATCA Requirements

FATCA provisions generally impose a reporting to the U.S. Internal Revenue Service of U.S. persons' direct and indirect ownership of non-U.S. accounts and non-U.S. entities. Failure to provide the requested information will lead to a 30% withholding tax applying to certain U.S. source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends.

The basic terms of FATCA include the Company as a "Financial Institution", such that in order to comply, the Company may require all Shareholders to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned legislation. For further details, please refer to Section IX 1.C. of the Prospectus.

Despite anything else herein contained and as far as permitted by Luxembourg law, the Company shall have the right to:

- Withhold any taxes or similar charges that it is legally required to withhold, whether by law or otherwise, in respect of any shareholding in the Company;
- Require any Shareholder or beneficial owner of the Shares to promptly furnish such personal data as may be required by the Company in its discretion in order to comply with any law and/or to promptly determine the amount of withholding to be retained;
- Divulge any such personal information to any tax or regulatory authority, as may be required by law or such authority;
- Withhold the payment of any dividend or redemption proceeds to a Shareholder until the Company holds sufficient information to enable it to determine the correct amount to be withheld.

Shareholder Rights

The Company draws the investors' attention to the fact that any investors will only be able to fully exercise his investor rights directly against the Company, notably the right to participate in general meetings of Shareholders if the investor is registered himself and in his own name in the register of Shareholder of the Company. In cases where an investor invests in the Company through an intermediary investing into the Company in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.

The abbreviations below denote the following currencies:

EUR Euro
USD US Dollars

PROSPECTUS

relating to the permanent offer of Shares
in the Investment Company with Variable Capital
“La Française LUX”

I. GENERAL DESCRIPTION

1. INTRODUCTION

La Française LUX is an investment company with variable capital (s*ociété d'investissement à capital variable*) (the “**Company**”) set up as an umbrella structure. Each sub-fund may hold a portfolio of separate assets made up of transferable securities denominated in different currencies. The characteristics and investment policy of each Sub-Fund are listed in Appendix 1 appended to the Prospectus.

The Company's capital may be divided between several Sub-Funds each of which can offer several categories as defined for each of the Sub-Funds: some categories can offer one or more Classes of Shares as defined in Chapter IV.

The Company may create new Sub-Funds and/or new categories and/or new Classes of Shares. Whenever new Sub-Funds, categories and/or Classes of Shares are launched the Prospectus shall be updated accordingly.

The opening of any new Sub-Fund, of any category or Class of Shares of a Sub-Fund mentioned in the Prospectus shall be subject to a decision of the Board of Directors which shall in particular determine the price and period/date of initial subscription as well as the date of payment of such initial subscription.

For each Sub-Fund, the management objective shall be to combine a maximisation of growth and capital return.

The Shares of each Sub-Fund, category or Class of Shares shall be issued and redeemed at a price to be determined in accordance with the Articles of Incorporation and the Prospectus at the frequency indicated in Appendix 1 (a day set for such calculation being defined as a “**Valuation Day**”).

In relation to any Class of Shares in a Sub-Fund, the price shall be based on the Net Asset Value per Share, i.e. the value of the net assets of the relevant Sub-Fund attributable to the relevant Class of Shares of that Sub-Fund (the “**Net Asset Value**” or “**NAV**”). For the avoidance of doubt, when the content so requires, the term “Net Asset Value” shall also mean the Net Asset Value of a given Sub-Fund, being the sum of the Net Asset Value of the Shares, category or Class of Shares of such Sub-Fund.

The Net Asset Value shall be expressed in the reference currency of that Sub-Fund or in a certain number of other currencies, as indicated in Appendix 1.

As a matter of principle, switching from one Sub-Fund, category or Class of Shares to another Sub-Fund, category or Class of Shares may be done on each Valuation Day. This can be achieved by converting Shares of one Sub-Fund, category or Class of Shares into Shares of another Sub-Fund, category or Class of Shares of the Company subject to payment of a conversion commission, as mentioned in Appendix 1.

2. THE COMPANY

The Company was incorporated in Luxembourg on 28 October 1998 and for an indefinite period under the name “GLOBAL STRATEGY”.

As per an extraordinary general meeting dated 11 May 2006, the name of the Company changed from GLOBAL STRATEGY to NORD EUROPE PATRIMONIUM. The name of NORD EUROPE PATRIMONIUM then changed to UFG-LFP FUNDS on 21 July 2010 as per an extraordinary general meeting. The name further changed from UFG-LFP FUNDS to LA FRANCAISE AM FUND on 6 September 2012 and from LA FRANCAISE AM FUND to La Française LUX on 13 March 2015. The articles of incorporation of the Company and all changes successively conveyed thereto (the “**Articles of Incorporation**”) were published in the *Mémorial, Recueil des Sociétés et Associations*. As from 1 June 2016, the *Mémorial, Recueil des Sociétés et Associations* was replaced by the *Recueil Electronique des Sociétés et Associations* (the « **RESA** »).

The minimum capital is set at EUR 1,250,000 (one million two hundred fifty thousand Euros). The Company's capital is expressed in EUR and is any time the equivalent of the Net Asset Value of its Sub-Funds and represented by Shares of no par value.

Variations in the capital are effected “ipso jure” and without compliance with measures regarding publication and entry in the Trade and Companies Register in Luxembourg prescribed for increases and decreases of capital of public limited companies.

The Company is registered with the Trade and Companies Register in Luxembourg under number B66.785.

The fact that the Company is registered on the official list established by the CSSF may under no circumstances be considered to represent a positive opinion on the part of the said supervisory authority as to the quality of the Shares put up for sale.

II. MANAGEMENT AND ADMINISTRATION

1. BOARD OF DIRECTORS

The Board of Directors is responsible for the administration and management of the Company and of the assets of each Sub-Fund. It may carry out all acts of management and administration on behalf of the Company, in particular it may purchase, sell, subscribe or exchange any transferable securities and exercise all rights directly or indirectly attached to the Company's assets.

The list of the members of the Board of Directors as well as of the other administrating bodies may be found in this Prospectus and in the periodic reports.

2. MANAGEMENT COMPANY

LA FRANCAISE AM INTERNATIONAL (the "**Management Company**") has been appointed as management company of the Company. The Management Company is a UCITS management company authorised under chapter 15 of the 2010 Law. It was incorporated on 14 October 1985 as a *société anonyme* under Luxembourg law for an unlimited period and is registered with the Trade and Companies Register in Luxembourg under number B 23447. Its registered office is at 2, boulevard de la Foire, L-1528 Luxembourg. The Management Company has a fully paid up share capital of two million five hundred and twenty five thousand euro (EUR 2,525,000). The articles of incorporation have been deposited with the Luxembourg Trade and Companies Register and were last amended on 5 June 2014. The latest consolidated articles of incorporation were published on 6 September 2014 in the *Mémorial C, Recueil des Sociétes et Associations* ("***Mémorial***"), the official gazette of the Grand Duchy of Luxembourg.

The corporate purpose of the Management Company is to manage investment funds under Luxembourg law.

The Company has appointed the Management Company by a management company services agreement (the "**Management Company Services Agreement**") effective on 1 August 2008 as Management Company of the Company to provide it with investment management, administration and marketing services (the "**Services**"). The Management Company Services Agreement has been concluded for an unlimited period and can be terminated by either party upon giving to the other party no less than ninety (90) days' written notice. The responsibilities of the Company remain unchanged further to the appointment of the Management Company.

In the provision of the Services, the Management Company is authorised, in order to conduct its duties efficiently, to delegate with the consent of the Company and the Luxembourg supervisory authority, under its responsibility and control, part or all of its functions and duties to any third party.

In particular, the management function includes the following tasks:

- To give all opinions or recommendations concerning the investments to be made,
- To conclude contracts, to purchase, sell, exchange and/or deliver all transferable securities and all other assets,
- On behalf of the Company, to exercise all voting rights attached to the transferable securities constituting the Company's assets.

In particular, the functions of the administrative agent include:

(i) calculation and publication of the Net Asset Value of the Shares of each Sub-Fund in accordance with the 2010 Law and the Company's Articles of Incorporation and
(ii) the provision, on behalf of the Company, of all the administrative and accounting services necessary to the management.

As keeper of the registrar and transfer agent, the Management Company is responsible for processing subscription, redemption and conversion applications regarding Shares and for keeping the register of Shareholders of the Company in accordance with the provisions described in more detail in the Management Company Services Agreement.

The functions of the principal distributor include the marketing of the Shares in Luxembourg and/or abroad.

The rights and obligations of the Management Company are governed by agreements entered into for an indefinite term.

In accordance with the laws and regulations in force and with the prior consent of the Board of Directors of the Company and subject to the approval of the CSSF, the Management Company is authorised, under its responsibility and control, to delegate one or more of its functions and powers or part thereof to any entities it deems appropriate, provided the Prospectus is updated in advance and the Management Company retains full liability for acts committed by its delegate/s. Any such delegate/s, with regards to the nature of the functions and duties to be delegated, must be qualified and capable of undertaking the duties in question.

The Management Company will require any such agent to which it intends to delegate its duties to comply with the provisions of the Prospectus, the Articles of Incorporation the relevant provisions of the Management Company Services Agreement and any applicable laws and regulations.

In relation to delegated duties, the Management Company will implement appropriate control mechanisms and procedures, including risk management controls, and regular reporting processes, in order to ensure an effective supervision of the third parties to whom functions and duties have been delegated and that the services provided by such third party service providers are in compliance with the Articles of Incorporation, the Prospectus and the agreement entered into with the relevant third party service provider.

The Management Company will be diligent and exhaustive in the selection and monitoring of the third parties to whom functions and duties may be delegated and ensure that the relevant third parties have sufficient experience and knowledge as well as the necessary authorisations required to carry out the delegated functions.

At the present time, the functions of management, administrative agent and registrar and transfer agent are delegated or further described in this prospectus.

In accordance with the Directive 2009/65/EC and Article 111bis of the 2010 Law, the Management Company has established a remuneration policy for those categories of staff whose professional activities have a material impact on the risk profiles of the Management Company or the Company. Those categories of staff includes any employees who are decision takers, fund managers, risk takers and persons who take real investment decisions, control functions, persons who have the power to exercise influence on such employees or members of staff, including investment advisors and analysts, senior management and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and decision takers. The remuneration policy is compliant with and promotes a sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profiles of the Company or with its Articles and which are in line with the business strategy, objective values and interests of the Management Company and does not interfere with the obligation of the Management Company to act in the best interests of the Company. The remuneration policy includes an assessment of performance set in a multi-year framework appropriate to the holding period recommended to the investors of the Company in order to ensure that the assessment process is based on the long-term performance of the Company and its investment risks. The variable remuneration component is also based on a number of other qualitative and quantitative factors. The remuneration policy contains an appropriate balance of fixed and variable components of the total remuneration.

The La Française Group has established a remuneration committee that operates on a group-wide basis. The remuneration committee is organised in accordance with internal rules in compliance with the principles set out in the Directive 2009/65/EC and Directive 2011/61/EU. The remuneration policy has been designed to promote sound risk management and to discourage risk taking that exceeds La Française's level of tolerated risk, having regard to the investment profiles of the funds managed and to establish measures to avoid conflicts of interest. The remuneration policy is reviewed on an annual basis.

The up-to-date remuneration policy of the Management Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, is made available at https://www.lafrancaise-gam.com/fileadmin/docs/corporate/PolitiqueRemunerationShortAIFMETUCITLFI.pdf. A paper copy is available free of charge upon request at the Management Company's registered office.

3. DEPOSITARY BANK

BNP Paribas Securities Services, Luxembourg Branch has been appointed as depositary by the Company (the "**Depositary Bank**").

BNP Paribas Securities Services Luxembourg is a branch of BNP Paribas Securities Services SCA, a wholly-owned subsidiary of BNP Paribas SA. BNP Paribas Securities Services SCA is a licensed bank incorporated in France as a *Société en Commandite par Actions* (partnership limited by shares) under No.552 108 011, authorised by the *Autorité de Contrôle Prudentiel et de Résolution* (ACPR) and supervised by the *Autorité des Marchés Financiers* (AMF), with its registered address at 3 rue d'Antin, 75002 Paris, acting through its Luxembourg Branch, whose office is at 60, avenue J.F. Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg, and is supervised by the CSSF.

The Depositary Bank performs three types of functions, namely (i) the oversight duties (as defined in Article 34 (1) of the 2010 Law), (ii) the monitoring of the cash flows of the Company (as set out in Article 34 (2) of the 2010 Law) and (iii) the safekeeping of the Company's assets (as set out in Article 34 (3) of the 2010 Law).

Under its oversight duties, the Depositary Bank is required to ensure:

(1) that the sale, issue, repurchase, redemption and cancellation of Shares effected on behalf of the Company are carried out in accordance with the Luxembourg Law and with the Articles of Incorporation,

(2) that the value of Shares is calculated in accordance with the Luxembourg Law and the Articles of Incorporation,

(3) to carry out the instructions of the Company or the Management Company acting on behalf of the Company, unless they conflict with the Luxembourg Law or the Articles of Incorporation,

(4) that in transactions involving the Company's assets, the consideration is remitted to the Company within the usual time limits;

(5) that the Company's revenues are allocated in accordance with Luxembourg Law and its Articles of Incorporation.

The overriding objective of the Depositary Bank is to protect the interests of the Shareholders of the Company, which always prevail over any commercial interests.

Conflicts of interest may arise if and when the Management Company or the Company maintains other business relationships with BNP Paribas Securities Services, Luxembourg Branch in parallel with an appointment of BNP Paribas Securities Services, Luxembourg Branch acting as Depositary Bank.

Such other business relationships may cover services in relation to:

- Outsourcing/delegation of middle or back office functions (e.g. trade processing, position keeping, post trade investment compliance monitoring, collateral management, OTC valuation, fund administration inclusive of net asset value calculation, transfer agency, fund dealing services) where BNP Paribas Securities Services or its affiliates act as agent of the Company or the Management Company, or
- Selection of BNP Paribas Securities Services or its affiliates as counterparty or ancillary service provider for matters such as foreign exchange execution, securities lending, bridge financing.

The Depositary Bank is required to ensure that any transaction relating to such business relationships between the Depositary Bank and an entity within the same group as the Depositary Bank is conducted at arm's length and is in the best interests of Shareholders.

In order to address any situations of conflicts of interest, the Depositary Bank has implemented and maintains a management of conflicts of interest policy, aiming namely at:

- Identifying and analysing potential situations of conflicts of interest;
- Recording, managing and monitoring the conflict of interest situations either in:
  - Relying on the permanent measures in place to address conflicts of interest such as segregation of duties, separation of reporting lines, insider lists for staff members;
  - Implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new Chinese wall (i.e. by separating functionally and hierarchically the performance of its Depositary Bank duties from other activities), making sure that operations are carried out at arm's length and/or informing the concerned Shareholders of the Company, or (ii) refuse to carry out the activity giving rise to the conflict of interest.
  - Implementing a deontological policy;
  - Recording of a cartography of conflict of interests permitting to create an inventory of the permanent measures put in place to protect the Company's interests; or
  - Setting-up internal procedures in relation to, for instance (i) the appointment of service providers which may generate conflicts of interests, (ii) new products/activities of the Depositary Bank in order to assess any situation entailing a conflict of interest.

In the event that such conflicts of interest do arise, the Depositary Bank will undertake to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Company and the Shareholders are fairly treated.

The Depositary Bank may delegate to third parties the safe-keeping of the Company's assets subject to the conditions laid down in the applicable laws and regulations

The process of appointing such delegates and their continuing oversight follows the highest quality standards, including the management of any potential conflict of interest that should arise from such an appointment. Such delegates must be subject to effective prudential regulation (including minimum capital requirements, supervision in the jurisdiction concerned and external periodic audit) for the custody of financial instruments. The Depositary's liability shall not be affected by any such delegation.

A potential risk of conflicts of interest may occur in situations where the delegates may enter into or have a separate commercial and/or business relationships with the Depositary Bank in parallel to the custody delegation relationship.

In order to prevent such potential conflicts of interest from cristalizing, the Depositary Bank has implemented and maintains an internal organisation whereby such separate commercial and / or business relationships have no bearings on the choice of the delegate or the monitoring of the delegates' performance under the delegation agreement.

A list of these delegates and sub-delegates for its safekeeping duties is available on the website http://securities.bnpparibas.com/files/live/sites/portal/files/contributed/files/Regulatory/Ucits_delegates_EN.pdf.

Such list may be updated from time to time. Updated information on the Depositary Bank's custody duties, a list of delegations and sub-delegations and conflicts of interest that may arise may be obtained, free of charge and upon request, from the Depositary Bank.

Updated information on the Depositary Bank's duties and the conflict of interests that may arise are available to investors upon request.

4. DOMICILIATION AND LISTING AGENT

The Company has appointed BNP Paribas Securities Services, Luxembourg Branch as its domiciliary and listing agent (the "**Domiciliary and Listing Agent**"). In its capacity as such, it will be responsible for all corporate agency duties required by Luxembourg law, and in particular for providing and supervising the mailing of statements, reports, notices and other documents to the Shareholders, in compliance with the provisions of, and as more fully described in, the agreement mentioned hereinafter.

The rights and duties of the Domiciliary and Listing Agent are governed by an agreement entered into for an unlimited period of time on 6 September 2012. This agreement may be terminated by each of the parties with prior notice of ninety (90) days (as stipulated in the applicable contractual provisions).

5. ADMINISTRATIVE AGENT

BNP Paribas Securities Services, Luxembourg Branch, with its registered office at 60, avenue J.F. Kennedy L-1855 Luxembourg, performs the functions of an administrative agent (the "**Administrative Agent**"), including the functions of Transfer and Registrar Agent, pursuant to an agreement between the Management Company and BNP Paribas Securities Services, Luxembourg Branch dated 6 September 2012. This agreement may be terminated by each of the parties by means of prior notice of ninety (90) days (as stipulated in the applicable contractual provisions).

In this context, BNP Paribas Securities Services, Luxembourg Branch performs the administrative functions required by the 2010 Law such as the bookkeeping of the Company and calculation of the Net Asset Value per Share. The Administrative Agent supervises all submissions of declarations, reports, notices and other documents to Shareholders.

As Transfer and Registrar Agent, it takes responsibility in particular for keeping the register of registered Shares. It is also responsible for the process of subscription and applications for the redemption of Shares and, if applicable, applications for the conversion of Shares as well as acceptance of such transfers of funds. Moreover, it must deliver Share confirmations and accept Share confirmations submitted for replacement and if such should be the case for redemption or conversion.

6. INVESTMENT ADVISORS AND INVESTMENT MANAGERS

The Management Company may be assisted by one or more delegate investment advisor(s) and/or investment manager(s) as specified in Appendix 1. The control and final responsibility of the activities of the investment advisor(s) and/or investment manager(s) shall rest with the Board of Directors of the Company. The name of the investment advisor(s) and/or investment manager(s) shall be indicated in the Appendices of each Sub-Fund. The investment advisor(s) and/or investment manager(s) shall be entitled to receive the payment of an advisory and/or a management fee, the rates and methods of calculation of which are mentioned in the Appendices of each Sub-Fund.

7. DISTRIBUTORS AND NOMINEES

The Management Company may decide to appoint nominees and distributors for the purpose of assisting in the distribution of the Shares in the countries in which they shall be sold.

Distribution and nominee agreements shall be concluded between the Company, the Management Company and the various nominees / distributors.

In accordance with these distribution and nominee agreements, the name of the nominee, rather than that of the Investors investing in the Company, shall be recorded in the register of Shareholders. The terms and conditions of the distribution and nominee agreements shall stipulate, among others, that an investor who has invested in the Company via a nominee may request at any time that the Shares be re-registered under his/her own name. In this case the investor's name shall be entered in the register of Shareholders as soon as the Company receives the transfer instructions from the nominee.

Prospective Shareholders may subscribe for Shares by applying directly to the Company, without having to act through one of the nominees/distributors.

Copies of the distribution and nominee agreements may be consulted by the Shareholders at the Company's registered office as well as at the Administrative Agent's registered office and at the registered offices of the nominees/distributors during normal office hours.

8. AUDITING OF THE COMPANY'S OPERATIONS

The auditing of the Company's accounts and annual financial statements is entrusted to Deloitte Audit, having its registered office at 560, rue de Neudorf, L-2220 Luxembourg, Grand Duchy of Luxembourg, in its capacity as approved statutory auditor of the Company.

The main objective of the Company is to offer Shareholders the opportunity to participate in the professional management of portfolios of transferable securities, money market instruments and other permitted assets with the purpose of spreading investment risks as further detailed in the investment policy of each Sub-Fund of the Company (cf. Appendix 1).

The Company can offer no guarantee that its objectives will be fully achieved. Nevertheless, diversification of the portfolios of the Sub-Funds helps limit the risks inherent to any investments, if unable to eliminate them completely.

The Company's investments shall be made under the control and authority of its Board of Directors.

1. INVESTMENT POLICIES - GENERAL PROVISIONS

The specific investment policy of each Sub-Fund as detailed in Appendix 1 of the Sub-Funds has been defined by the Board of Directors.

The Company allows Shareholders to modify the trend of their investments and where applicable, to change investment currencies through the conversion of Shares held in a Sub-Fund, category or Class of Shares into Shares of another Sub-Fund, category or Class of Shares.

The objective of each Sub-Fund is the maximum appreciation of the assets invested. The Company may take as much risk as it deems reasonable in line with its objectives; it cannot however guarantee that it shall reach such objectives due to stock exchange fluctuations and other risks incurred by investments made.

Unless otherwise specified in each Sub-Fund's investment policy, no guarantee can be given on the realisation of the investment objectives of the Sub-Funds and past performance is not an indicator of future performances.

2. SPECIAL REGULATIONS AND INVESTMENT RESTRICTIONS

The general provisions hereunder shall apply to all the Sub-Funds of the Company unless otherwise provided in the specific investment objectives of a Sub-Fund. In this case Appendix 1 of that Sub-Fund shall list the specific restrictions intended to take over the present general provisions.

A. The Company's investments must comprise only one or more of the following:

(1) Transferable securities and money market instruments admitted to or dealt in a regulated market within the meaning of Directive 2004/39/EC.

(2) Transferable securities and money market instruments dealt in on another market in a member State of the European Union (the "EU") which is regulated, operates regularly, and is recognised and open to the public.

(3) Transferable securities or money market instruments admitted to official listing on a stock exchange in the EU or dealt in on another market in a non-Member State of the EU which is regulated, operates regularly and is recognised and open to the public in any other country in Eastern and Western Europe, the American continent, Asia, Oceania and Africa.

(4) Transferable securities and money market instrument newly issued provided that:

(i) the terms governing the issue include the provision that application shall be made for official listing on a stock exchange, or on another regulated market which operates regularly, and is recognised and open to the public; and
(ii) such listing is secured within one year of issue.

(5) Shares of UCITS and/or other UCI within the meaning of Article 1(2), first and second hyphens of Directive 2009/65/EC, whether or not established in a Member State of the EU, provided that:

(i) such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Regulatory Authority to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently guaranteed;
(ii) the level of protection of shareholders in the other UCI is equivalent to the level of protection of shareholders of a UCITS and in particular the provisions for separate management of the fund's assets, borrowing, credit allocation and short selling of securities and money market instruments are equivalent to the requirements of the Directive 2009/65/EC;
(iii) the business activity of the other UCI is subject to semi-annual and annual report which permits a statement to be made on the assets and liabilities, earnings and transactions within the reporting period; and
(iv) in accordance with its articles of incorporation the UCITS or other UCI whose shares are being acquired may invest altogether a maximum 10% of its assets in the shares of other UCITS or other UCI.

(6) Sight deposits or callable deposits with a maximum term of twelve months with credit institutions, provided the credit institution in question has its registered office in an EU Member State or, if the registered office of the credit institution is in a third state, provided it is subject to supervisory provisions that the CSSF holds to be equivalent to those of EU law.

(7) Derivatives, including similar instruments giving rise to a settlement in cash, which are traded on a regulated market of the type referred to in points (1), (2) and (3) above, and/or derivatives traded over the counter (hereinafter called "OTC derivatives), provided that:

(i) the underlying assets are instruments within the meaning of this section A, financial indices, interest rates, exchange rates or currencies, in which the Company may invest in accordance with its investment objectives;
(ii) with regard to transactions involving OTC derivatives, the counterparts are institutions from categories subject to official supervision which is approved by the Luxembourg supervisory authorities;
(iii) the OTC derivatives are subject to reliable and examinable valuation on a daily basis and can at an appropriate time on the initiative of the Company be disposed of, liquidated or realised by counter-transaction at any time and at their fair value.
(iv) in no case shall these transactions lead the Company to diverge from its investment objectives.

In particular, the Company may intervene in transactions relating to options, future contracts on financial instruments and options on such contracts.

(8) Money-market instruments, that are not traded on a regulated market, provided the issue or the issuer of such instruments are subject to provisions concerning deposits and investor protection, and provided they are:

(i) issued or guaranteed by a central state, regional or local body or central bank of a Member State of the EU, the European Central Bank, the European Union or the European Investment Bank, a third state or in the case of a federal state, a Member State of the federation, or an international public law institution, which at least belongs to a Member State of the EU, or issued by a company the securities of which are traded on the regulated markets referred to in points (1), (2) and (3) above; or

(ii) issued or guaranteed by an establishment subject to prudential surveillance according to the criteria defined by EU Law, or by an establishment which is subject to and abides by prudential rules considered by the CSSF to be at least as strict as those provided by EU legislation; or

(iii) issued by other issuers which belong to a category approved by the CSSF, provided that for investments in these instruments there are provisions for investor protection which are equivalent to the first, second or third point and provided the issuer is either a company with equity capital and reserves of at least ten million euros (EUR 10,000,000), which draws up and publishes its annual reports in accordance with the provisions of the Directive 78/660/EEC, or a legal entity which, within a group of companies with one or more stock market listed companies, is responsible for the financing of the group, or a legal entity where the security backing of liabilities will be financed by use of a line of credit granted by a bank.

B. Moreover, the Company may for each Sub-Fund:

(1) Invest up to 10% of the net assets of the Sub-Fund in transferable securities or money market instruments other than those referred to in A (1) to (4) and (8).

(2) On an ancillary basis, hold liquidities and other instruments similar to liquidities.

(3) Borrow up to 10% of the net assets of the Sub-Fund, insofar as these are temporary borrowings. Commitments in relation to option contracts, purchases and sales of future contracts are not considered borrowings for calculation of the investment limit.

(4) Acquire currencies through a type of face-to-face loan.

C. Furthermore, as regards the net assets of each Sub-Fund, the Company shall observe the following investment restrictions per issuer:

(1) Rules as to distribution of risks

For calculation of the limits described in points (1) to (5) and (8) above, companies included in the same group of companies shall be considered a single issuer.

To the extent that an issuer is a legal entity with multiple Sub-Funds where the assets of one Sub-Fund respond exclusively to the rights of investors in relation to that Sub-Fund and those of the creditors whose claims arise out of the incorporation, operation or liquidation of that Sub-Fund, each Sub-Fund shall be considered a separate issuer for application of the rules as to the distribution of risks.

- **Transferable Securities and Money Market Instruments**

(1) A Sub-Fund may not acquire additional transferable securities and money market instruments from one and the same issuer if, as a consequence of that acquisition:

a. More than 10% of its net assets correspond to transferable securities or money market instruments issued by that entity.

b. The total value of the transferable securities and money market instruments held of issuers in each of which it invests more than 5% exceeds 40% of the value of its net assets. That limit is not applicable to deposits with financial establishments subject to prudential surveillance and to OTC transactions on derivatives with those establishments.

(2) The limit of 10% fixed in point (1) (a) is raised to 20% if the transferable securities and money market instruments are issued by the same group of companies.

(3) The maximum limit of 10% indicated in section (1) (a) may be increased to a maximum 35% if the securities or money market instruments are issued or guaranteed by a Member State of the EU or its regional bodies, by a third state or by international public law institutions which at least belong to an EU Member State.

(4) The maximum limit of 10% indicated in section (1) (a) may be increased to a maximum 25% for specific bonds, if these are issued by a credit institution with registered office in a Member State of the EU, and which is subject to specific official supervision on the basis of the legal provisions for the protection of holder of those bonds. In particular, the proceeds from the issue of these bonds must in accordance with legal provisions be invested in assets which during the entire term of the bonds adequately cover the liabilities arising therefrom and which are allocated for the due repayment of capital and the payment of interest in the event of the default of the issuer. If a Sub-Fund invests more than 5% of its net assets in such bonds that are issued by one and the same issuer, then the total value of those investments may not exceed 80% of the value of the net assets of the Sub-Fund.

(5) The securities and money-market instruments mentioned in sections (3) and (4) above are not included when applying the investment limit of 40% provided in section (1) (b).

(6) Where any Sub-Fund has invested in accordance with the principle of risk spreading in transferable securities or money market instruments issued or guaranteed by an EU member state, by its local authorities or by an OECD member state or Brazil, Singapore or any G20 member state, or by public international bodies of which one or more EU member states are members, the Company may invest 100% of the Net Asset Value of any Sub-Fund in such securities provided that such Sub-Fund must hold securities from at least six different issues and the value of securities from any one issue must not account for more than 30% of the Net Asset Value of the Sub-Fund.

(7) Notwithstanding the limits imposed in section (2) hereinafter, the limits mentioned under point (1) are increased to a maximum 20% for investments in shares and/or bonds issued by the same entity, when the Company's investment policy aims to reproduce the composition of a specific share or bond index recognised by the CSSF, on the following bases:

(i) the composition of the index is sufficiently diversified,

(ii) the index constitutes a representative benchmark for the market to which it relates,

(iii) it is subject to the appropriate publication.

The limit of 20% amounts to 35% provided this is justified on the basis of extraordinary market circumstances, in particular on regulated markets on which certain securities or money market instruments are extremely dominant. An investment up to this maximum limit is only possible with a single issuer.

- **Bank deposits**

(8) The Company may not invest more than 20% of the net assets of each Sub-Fund in deposits placed with the same entity.

- **Derivatives**

(9) The default risk of the counterparty in transactions with OTC derivatives may not exceed 10% of the net assets of the Sub-Fund, if the counterparty is a credit institution as described in A (6) above. For other cases, the limit is up to a maximum of 5% of the net assets.

(10) Investments may be made in derivatives insofar as, globally, the risks to which the underlying assets are exposed do not exceed the investment limits fixed in points (1) to (5), (8), (9), (13) and (14). When the Company invests in derivatives based on an index, those investments are not necessarily combined to the limits fixed in points (1) to (5), (8), (9), (13) and (14).

(11) When a transferable security or money market instrument contains a derivative, the latter must be taken into account in applying the provisions of Section C, point (14) and Section D, point (1) as well as for assessing the risks associated with derivatives transactions, insofar as the overall risk associated with derivatives does not exceed the total Net Asset Value of the assets.

- **Shares in open-ended funds**

(12) The Company may not invest more than 20% of the net assets of each Sub-Fund in the shares of the same UCITS or other UCI, as defined in Section A, point (5).

- **Combined limits**

(13) Notwithstanding the individual limits fixed in points (1), (8) and (9) above, a Sub-Fund may not combine:

- Investments in transferable securities or money market instruments issued by,
- Deposits with, and/or
- Risks arising from OTC derivatives transactions with a single entity, which are greater than 20% of its net assets.

(14) The limits provided in points (1), (3), (4), (8), (9) and (13) above may not be combined. As a consequence, the investments of each Sub-Fund in transferable securities or money market instruments issued by the same entity, in deposits with that entity or in derivatives traded with that entity in accordance with points (1), (3), (4), (8), (9) and (13) may not exceed a total 35% of the net assets of that Sub-Fund.

(2) <u>Limitations as to control</u>

(15) The Company may not acquire any voting shares that would enable it to exercise a considerable influence on the management of the issuer.

(16) A Sub-Fund may not acquire:

- (i) more than 10% of non-voting equities of one and the same issuer;
- (ii) more than 10% of the bonds of one and the same issuer;
- (iii) more than 10% of the money market instruments of one and the same issuer; or
- (iv) more than 25% of the shares of the same UCITS and/or other UCI.

The limits provided under points (ii) to (iv) need not to be respected on acquisition if the gross amount of the bonds or money market instruments, or the net amount of the issued securities cannot be calculated at the time of acquisition.

The provisions under points (15) and (16) are not applicable to:

- Securities and money market instruments issued or guaranteed by an EU Member State or its regional bodies;
- Securities and money market instruments issued or guaranteed by a third state;
- Securities and money market instruments issued or guaranteed by international public law organisations, to which belong one or more EU Member States;
- Shares held in the capital of a company from a third state, under the provisions that:
  - (i) the company invests its assets essentially in securities of issuers who are residents in said third state,
  - (ii) owing to the legal regulations of that third state, such a stake represents the only possibility to invest in securities of issuers of that third state, and
  - (iii) in its investment policy the company observes the rules of diversification of risk and limitations as to control indicated in Section C, point (1), (3), (4), (8), (9), (12), (13), (14), (15) and (16) and in Section D, point (2);
- Shares held in the capital of subsidiaries carrying on any management, advisory or marketing activities solely for the exclusive benefit of the Company in the country where the subsidiary is located as regards the redemption of Shares or the application of Shareholders.

D. Moreover, the Company must observe the investment restrictions for the following instruments:

(1) Each Sub-Fund shall ensure that the overall risk associated with derivatives does not exceed the total net value of its portfolio.

Risks are calculated taking account of the current value of the underlying assets, counterparty risk, foreseeable market evolution and the time available to liquidate positions.

(2) Investments in the shares of UCI other than UCITS may not in total exceed 30% of the net assets of the Company.

E. Furthermore, the Company shall ensure that the investments of each Sub-Fund comply with the following rules:

(1) The Company may not acquire commodities, precious metals or even certificates representing them, it being understood that transactions relating to currencies,

financial instruments, indices or securities and likewise future contracts, option contracts and swap contracts relating thereto are not considered transactions relating to merchandise within the meaning of this restriction.

(2) The Company may not acquire real estate, unless such acquisitions are indispensable in the direct exercise of its activity.

(3) The Company may not use its assets to guarantee securities.

(4) The Company may not issue warrants or other instruments conferring a right to acquire Shares of the Company.

(5) Without prejudice to the possibility for the Company to acquire bonds and other debt securities and to hold bank deposits, the Company may not grant loans or act as guarantor on behalf of third parties. This restriction is not an obstacle to the acquisition of transferable securities, money market instruments or other financial instruments not fully paid up.

(6) The Company may not make short sales of transferable securities, money market instruments or other financial instruments mentioned in Section A points (5), (7) and (8).

F. Notwithstanding all the aforementioned provisions:

(1) The limits fixed previously may not be respected in the exercise of subscription rights relating to transferable securities or money market instruments which are part of the assets of the Sub-Fund concerned.

(2) If limits are exceeded irrespectively of the desire of the Company or as a consequence of the exercise of subscription rights, the Company must, in its sale transactions, regularise the situation in the best interests of the Shareholders.

The Board of Directors shall be entitled to determine other investment restrictions to the extent that those limits are necessary to comply with the 2010 Law and regulations of the country in which the Shares shall be offered or sold.

G. Cross-Investments

Finally, a Sub-Fund of the Company may subscribe, acquire and/or hold securities to be issued or issued by one or more other Sub-Funds of the Company (a "**Target Sub-Fund**"), provided that:

- The Target Sub-Fund does not, in turn, invest in the Sub-Fund investing in the Target Sub-Fund;
- The Target Sub-Fund may not, according to its investment policy, invest more than 10% of its net assets in other UCITS or UCIs;
- Voting rights, attaching to the Shares of the Target Sub-Fund are suspended for as long as they are held by the Sub-Fund; and
- In any event, for as long as the Shares are held by the Sub-Fund, their value will not be taken into consideration for the calculation of the net assets of the Company for the purpose of verifying the minimum threshold of the net assets imposed by the 2010 Law.
- Subscription, redemption or conversion fees may only be charged either at the level of the Sub-Fund investing in the Target Sub-Fund or at the level of the Target Sub-Fund;

- No duplication of management fee is due on that portion of assets between those at the level of the Sub-Fund and this Target Sub-Fund.

H. Master-Feeders structures

Under the conditions set forth in Luxembourg laws and regulations, the Board of Directors may, at any time it deems appropriate and to the widest extent permitted by applicable Luxembourg laws and regulations:

- Create any Sub-Fund and/or Class of Shares qualifying either as a feeder UCITS or as a master UCITS,
- Convert any existing Sub-Fund and/or Class of Shares into a feeder UCITS sub-fund and/or class of shares or change the master UCITS of any of its feeder UCITS Sub-Fund and/or Class of Shares.

By way of derogation from Article 46 of the 2010 Law, the Company or any of its Sub-Funds which acts as a feeder (the "**Feeder**") of a master-fund shall invest at least 85% of its assets in another UCITS or in a sub-fund of such UCITS (the "**Master**").

The Feeder may not invest more than 15% of its assets in the following elements:

(1) Ancillary liquid assets in accordance with Article 41, paragraph (2), second sub-paragraph of the 2010 Law;
(2) Financial derivative instruments which may be used only for hedging purposes, in accordance with Article 41 first paragraph, point g) and Article 42 second and third paragraphs of the 2010 Law;
(3) Movable and immovable property which is essential for the direct pursuit of the Company's business.

3. FINANCIAL TECHNIQUES AND INSTRUMENTS

A. General provisions

For efficient management of the portfolio and/or with the aim of protecting its assets and liabilities, in each Sub-Fund the Company may use techniques and instruments which relate to transferable securities or money market instruments.

To that end, each Sub-Fund or category is authorised in particular to carry out transactions which have as their object the sale or purchase of future foreign exchange contracts, the sale or purchase of future contracts on currencies and the sale of call options and the purchase of put options on currencies, with the aim of protecting its assets against exchange rate fluctuations or of optimising its return, for efficient management of the portfolio.

Where a Sub-Fund uses such techniques and instruments, the relevant Appendix for such Sub-Fund shall disclose such fact, as well as a detailed description of the risks involved in these activities, including counterparty risk and potential conflicts of interest (to the extent not covered in this general part of the Prospectus), and the impact they will have on the performance of the relevant Sub-Fund. The use of these techniques and instruments shall be in line with the best interests of the relevant Sub-Fund.

The policy regarding direct and indirect operational costs/fees arising from efficient portfolio management techniques that may be deducted from the revenue delivered to the relevant Sub-Fund are disclosed in the relevant Appendix. These costs and fees shall not include hidden revenue. The identity of the entity (ies) to which the direct and indirect costs and fees are paid are also set out in the relevant Appendix for each Sub-Fund, as well as the indication as to whether these are related parties to the Management Company or the Depositary Bank.

The techniques and instruments used for the purposes of efficient management of the portfolio and/or with the aim of protecting its assets and liabilities shall fulfil the following criteria:

(1) They are economically appropriate in that they are realised in a cost-effective way;

(2) They are entered into for one or more of the following specific aims:

(i) reduction of risk;
(ii) reduction of cost;
(iii) generation of additional capital or income for the relevant Sub-Fund with a level of risk which is consistent with the risk profile of the relevant Sub-Fund and the applicable risk diversification rules, as set out in the 2010 Law;

(3) Their risks are adequately captured by the risk management process of the Management Company.

Techniques and instruments which comply with the criteria set out hereabove and which relate to money market instruments shall be regarded as techniques and instruments relating to money market instruments for the purpose of efficient portfolio management as referred to in the 2010 Law.

In applying techniques and instruments for the purposes of efficient management of the portfolio and/or with the aim of protecting its assets and liabilities, the Company shall at all times comply with the 2010 Law as well as any present or future related Luxembourg law or implementing regulations, circulars, CSSF positions and ESMA guidelines, in particular the provisions of article 11 of the Grand-Ducal regulation of 8 February 2008[1], of CSSF Circular 08/356 relating to the rules applicable to undertakings for collective investment when they use certain techniques and instruments relating to transferred securities and money market instruments (as these pieces of regulations may be amended or replaced from time to time) and CSSF Circular 14/592 relating to ESMA Guidelines on ETFs and other UCITS issues, as amended from time to time (the "**Regulations**").

In particular, techniques and instruments relating to transferable securities and money market instruments should not:

- Result in a change of the declared investment objective of the Company, respectively the Sub-Fund concerned; or
- Add substantial risks in comparison to the original risk policy as described herein and/or the relevant Appendix of the Sub-Fund concerned.

All the revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs, shall be returned to the relevant Sub-Fund.

[1] Grand-ducal Regulation of 8 February 2008 relating to certain definitions of the amended Law of 20 December 2002 on undertakings for collective investment and implementing Commission Directive 2007/16/EC of 19 March 2007 implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions.

The Company, in entering into efficient portfolio management transactions, shall take into account these operations when developing its liquidity risk management process in order to ensure it is able to comply at any time with its redemption obligations.

When these transactions relate to the use of derivatives, the conditions and limits fixed previously in section A, point (7), in Section C, points (1), (9), (10), (11), (13) and (14) and in Section D, point (1) must be respected.

In no case the use of financial derivatives instruments or other financial techniques and financial instruments may lead the Company to diverge from its investment objectives as expressed in this Prospectus.

The Company's annual report shall contain details of the following:

(1) The exposure obtained through efficient portfolio management techniques;

(2) The identity of the counterparty(ies) to these efficient portfolio management techniques;

(3) The type and amount of collateral received by the Company, respectively the relevant Sub-Fund, to reduce counterparty exposure; and

(4) The revenues arising from efficient portfolio management techniques for the entire reporting period together with the direct and indirect operational costs and fees incurred.

All assets received in the context of efficient portfolio management techniques should be considered as collateral and should comply with the following criteria:

(1) Any collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing

(2) Collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral

(3) Collateral received should be of high quality

(4) Collateral received by the Sub-Fund should be issued by an entity that is independent from the counterparty

(5) Collateral should be sufficiently diversified in terms of country, markets and issuers

(6) Non-cash collateral received should not be sold, re-invested or pledged

(7) Cash collateral received should only be:

(i) placed on deposit with entities prescribed in Article 50(f) of Directive 2009/65/EC,
(ii) invested in high-quality government bonds,
(iii) used for the purpose of reverse repo transactions provided the transactions are with credit institutions subject to prudential supervision and the Sub-Fund is able to recall at any time the full amount of cash on accrued basis,
(iv) invested in short-term money market funds as defined in the Guidelines on a Common Definition of European Money Market Funds.

B. Risks - Warning

With a view to optimising the return on their portfolio, all the Sub-Funds are authorised to use the derivative techniques and instruments described above (in particular swap contracts on rates, currencies and other financial instruments, future contracts, options on transferable securities, on rates or on future contracts), observing the conditions mentioned above.

Investors' attention is drawn to the fact that market conditions and the regulations in force may restrict the use to these instruments. No guarantee may be given as to the success of these strategies. The Sub-Funds using these techniques and instruments bear risks and costs associated with such investments which they might not have been borne if they had not followed such strategies. Investors' attention is further drawn to the increased risk of volatility arising from Sub-Funds using these techniques and instruments other than for hedging purposes. If the forecasts of managers and delegate managers as to the movements of markets in securities, currencies and interest rates prove to be inaccurate, the Sub-Fund affected might find itself in a worse situation than if those strategies had not been followed.

When using derivatives, each Sub-Fund may carry out over-the-counter transactions on future and cash contracts on indices or other financial instruments as well as on swaps on indices or other financial instruments with first-class banks or stockbrokers specialising in this matter acting as counterparts. Although the corresponding markets are not necessarily deemed more volatile than other futures markets, operators are less well protected against insolvency in their transactions on these markets since the contracts traded there are not guaranteed by a clearing house.

C. Securities lending operations

To the extent permitted by applicable Regulations, the Company may enter into securities lending transactions provided it complies with the following rules:

(1) The Company may lend the securities included in its portfolio to a borrower either directly or through a standardised lending system organised by a recognised clearing institution or through a lending system organised by a financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law and specialised in this type of transactions. In all cases, the counterparty to the securities lending agreement (i.e. the borrower) must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law. In case the aforementioned financial institution acts on its own account, it is to be considered as counterparty in the securities lending agreement. If the Company lends its securities to entities that are linked to the Company by common management or control, specific attention has to be paid to the conflicts of interest which may result therefrom.

(2) The Company must receive, previously or simultaneously to the transfer of the securities lent, a guarantee which the value at conclusion of the contract and during the life of the contract must be at least equal to the total value of the securities lent. At maturity of the securities lending transaction, the guarantee will be remitted simultaneously or subsequently to the restitution of the securities lent.

In case of a standardised securities lending system organised by a recognised clearing institution or in case of a lending system organised by a financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law and specialised in this type of transactions, securities lent may be transferred before the receipt of the guarantee if the intermediary in question assures the proper completion of the transaction. Such intermediary may, instead of the borrower, provide to the Company a guarantee which the value at conclusion of the contract must be at least equal to the total value of the securities lent.

(3) The Company must ensure that the volume of the securities lending transactions is kept at an appropriate level or that it is entitled to request the return of the securities lent in a manner that enables it, at all times, to meet its redemption obligations and that these transactions do not jeopardise the management of Company's assets in accordance with its investment policy.

(4) The Company should ensure that it is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.

(5) In its financial reports, the Company must disclose the global valuation of the securities of the date of reference of these reports.

D. Repurchase agreements

To the extent permitted by applicable Regulations, the Company may enter into repurchase agreement transactions, which consist of a forward transaction at the maturity of which the Company has the obligation to repurchase the asset sold and the buyer (the counterparty) the obligation to return the asset received under the transaction.

However, its involvement in such transactions is subject to the following rules:

(1) The Company may enter into these transactions only if the counterparties to these transactions are subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law.

(2) At the maturity of the contract, the Company must ensure that it has sufficient assets to be able to settle the amount agreed with the counterparty for the restitution of the Company. The Company must take care to ensure that the volume of the repurchase agreement transactions is kept at a level such that it is able, at all times, to meet its redemption obligation towards Shareholders.

(3) In its financial reports, the Company must provide separate information on securities sold under repurchase agreements, disclosing the total amount of the open transactions on the date of reference of these reports.

(4) When entering into a repurchase agreement the Company shall ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered.

(5) Fixed-term repurchase agreements that do not exceed seven days shall be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.

E. Reverse repurchase agreements

(1) When entering into a reverse repurchase agreement in the context of a given Sub-Fund the Company shall ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement shall be used for the calculation of the Net Asset Value of the relevant Sub-Fund.

(2) Fixed-term reverse repurchase agreements that do not exceed seven days shall be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.

F. Financial Derivative Instruments

(1) Where a Sub-Fund enters into a total return swap or invests in other financial derivative instruments with similar characteristics, the assets held by it shall comply with the investment limits set out in the 2010 Law and herein. For example, when a Sub-Fund enters into an unfunded swap, the Sub-Fund's investment portfolio that is swapped out shall comply with such investment limits.

(2) In accordance with the 2010 Law and Article 43(5) of Directive 2010/43/EU, where a Sub-Fund enters into a total return swap or invests in other financial derivative instruments with similar characteristics, the underlying exposures of the financial derivative instruments shall be taken into account to calculate the investment limits laid down in 2010 Law.

(3) The Appendix of a relevant Sub-Fund using total return swaps or other financial derivative instruments with the same characteristics shall include the following:

- Information on the underlying strategy and composition of the investment portfolio or index;
- Information on the counterparty(ies) of the transactions;
- A description of the risk of counterparty default and the effect on investor returns;
- The extent to which the counterparty assumes any discretion over the composition or management of the Sub-Fund's investment portfolio or over the underlying of the financial derivative instruments, and whether the approval of the counterparty is required in relation to any Sub-Fund investment portfolio transaction; and
- Subject to the provisions set out in item (4) below, identification of the counterparty as an investment manager.

(4) Where the counterparty has discretion over the composition or management of the relevant Sub-Fund's investment portfolio or of the underlying of the financial derivative instrument, the agreement between the Company in relation to such Sub-Fund and the counterparty shall be considered as an investment management delegation arrangement and shall comply with the applicable requirements on delegation.

(5) The Company's annual report shall contain for each relevant Sub-Fund, to the extent applicable, details of the following:

- The underlying exposure obtained through financial derivative instruments;
- The identity of the counterparty(ies) to these financial derivative transactions; and
- The type and amount of collateral received by the relevant Sub-Fund to reduce counterparty exposure.

G. Management of collateral for OTC financial derivative transactions and efficient portfolio management techniques

(1) All assets received by a relevant Sub-Fund in the context of efficient portfolio management techniques are considered as collateral for the purpose of these provisions and shall comply with the criteria laid down in the paragraph below.

(2) Where the Company, in relation to a Sub-Fund, enters into OTC financial derivative transactions and efficient portfolio management techniques, all collateral used to reduce counterparty risk exposure shall comply with the following criteria at all times:

a) **Liquidity** – any collateral received other than cash shall be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received shall also comply with the provisions of the 2010 Law.

b) **Valuation** – collateral received shall be valued on at least a daily basis and assets that exhibit high price volatility shall not be accepted as collateral unless suitably conservative haircuts are in place. Where a Sub-Fund uses this possibility, the relevant Appendix shall indicate such haircuts.

b) **Issuer credit quality** – collateral received shall be of high quality.

c) **Correlation** – the collateral received by the Company in relation to a Sub-Fund shall be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

d) **Collateral diversification (asset concentration)** – collateral shall be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the Company in relation to a Sub-Fund receives from a counterparty of efficient portfolio management and over-the-counter financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its Net Asset Value. When the Company in relation to a Sub-Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation, the Company may be fully collaterised in different transferable securities and money market instruments issued or guaranteed by a EU member state, by its local authorities or by an OECD member state or Brazil, Singapore or any G20 member state, or public international bodies to which one or more member state belong. In such a case, the Company, on behalf of the relevant Sub-Fund, should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the relevant Sub-Fund's Net Asset Value

e) **Risks linked to the management of collateral**, such as operational and legal risks, shall be identified, managed and mitigated by the risk management process.

f) **Where there is a title transfer**, the collateral received shall be held by the Depositary Bank. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

g) **Collateral received shall be capable of being fully enforced** by the Company at any time without reference to or approval from the counterparty.

h) **Non-cash collateral** received shall not be sold, re-invested or pledged.

i) **Cash collateral** received shall only be:

- Placed on deposit with entities prescribed in the 2010 Law;
- Invested in high-quality government bonds;
- Used for the purpose of reverse repo transactions provided the transactions are with credit institutions subject to prudential supervision and the Company is able to recall at any time the full amount of cash on accrued basis;
- Invested in short-term money market funds as defined in the CESR Guidelines on a Common Definition of European Money Market Funds (Ref. CESR/10-049).

(3) Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral.

(4) Where the Company receives, in relation to a Sub-Fund, collateral for at least 30% of the Sub-Fund's assets, the Company shall have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Company to assess the liquidity risk attached to the collateral. The liquidity stress testing policy shall at least prescribe the following:

- Design of stress test scenario analysis including calibration, certification & sensitivity analysis;
- Empirical approach to impact assessment, including back-testing of liquidity risk estimates;
- Reporting frequency and limit/loss tolerance threshold/s; and
- Mitigation actions to reduce loss including haircut policy and gap risk protection.

(5) The Company shall have in place a clear haircut policy adapted for each class of assets received as collateral. When devising the haircut policy, the Company shall take into account the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of the stress tests performed in accordance with paragraph (4) hereabove. This policy shall be documented and shall justify each decision to apply a specific haircut, or to refrain from applying any haircut, to a certain class of assets.

(6) This Prospectus shall be updated prior to the Company implementing the provisions hereabove in order to clearly inform investors of its collateral policy. This shall include permitted types of collateral, level of collateral required and haircut policy and, in the case of cash collateral, re-investment policy (including the risks arising from the re-investment policy).

(7) The Company's annual report shall contain details of the following in the context of OTC financial derivative transactions and efficient portfolio management techniques:

a) where collateral received from an issuer has exceeded 20% of the Net Asset Value of the relevant sub-fund, the identity of the issuer; and
b) whether the Company/the Sub-Fund has been fully collateralized in securities issued or guaranteed by a EU member state.

4. RISKS WARNINGS

A. Custody Risk

The Depositary Bank's liability only extends to its own negligence and wilful default and to that caused by the negligence or wilful misconduct of its local agent, and does not extend to losses due to the liquidation, bankruptcy, negligence or wilful default of any registrar agent. In the event of such losses, the Company will have to pursue its rights against the issuer and/or the appointed registrar agent of the securities.

Securities held with a local agent or clearing/settlement system or securities correspondent ("**Securities System**") may not be as well protected as those held within the Depositary Bank in Luxembourg. In particular, losses may be incurred as a consequence of the insolvency of the local correspondent or Securities System. In some markets, the segregation or separate identification of a beneficial owner's securities may not be possible or the practices of segregation or separate identification may differ from practices in more developed markets.

B. Conflicts of interest

The Management Company, the Distributor(s), the Investment Manager and/or the Investment Advisor, the Depositary Bank and the Administrative Agent may, in the course of their business, have potential conflicts of interest with the Company. Each of the Management Company, the Distributor(s), the Investment Manager and/or the Investment Advisor, the Depositary Bank and the Administrative Agent will have regard to their respective duties to the Company and other persons when undertaking any transactions where conflicts or potential conflicts of interest may arise. In the event that such conflicts do arise, each of such persons has undertaken or will be requested by the

Company to undertake to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Company and the Shareholders are fairly treated.

C. Interested dealings

The Management Company, the Distributor(s), the Investment Manager and/or the Investment Advisor, the Depositary Bank and the Administrative Agent and any of their respective subsidiaries, affiliates, associates, agents, directors, officers, employees or delegates (together the Interested Parties and, each, an Interested Party) may:

- Contract or enter into any financial, banking or other transaction with one another or with the Company including, without limitation, investment by the Company, in securities in any company or body any of whose investments or obligations form part of the assets of the Company or any Sub-Fund, or be interested in any such contracts or transactions;
- Invest in and deal with shares, securities, assets or any property of the kind included in the property of the Company for their respective individual accounts or for the account of a third party; and
- Deal as agent or principal in the sale, issue or purchase of securities and other investments to, or from, the Company through, or with, the Investment Manager or the Depositary or any subsidiary, affiliate, associate, agent or delegate thereof.

Any assets of the Company in the form of cash may be invested in certificates of deposit or banking investments issued by any Interested Party. Banking or similar transactions may also be undertaken with or through an Interested Party (provided it is licensed to carry out this type of activities).

There will be no obligation on the part of any Interested Party to account to Shareholders for any benefits so arising and any such benefits may be retained by the relevant party. Any such transactions must be carried out as if effected on normal commercial terms negotiated at arm's length.

D. Conflicts of interest of the Investment Manager in case of securities lending

The Investment Manager may also be appointed as the lending agent of the Company under the terms of a securities lending management agreement. Under the terms of such an agreement, the lending agent is appointed to manage the Company's securities lending activities and is entitled to receive a fee which is in addition to its fee as investment manager. The income earned from stock lending will be allocated between the Company and the Investment Manager and the fee paid to the Investment Manager will be at normal commercial rates. Full financial details of the amounts earned and expenses incurred with respect to stock lending for the Company, including fees paid or payable, will be included in the annual and semi-annual financial statements. The Management Company will, at least annually, review the stock lending arrangements and associated costs.

The Investment Manager may execute trades through their affiliates on both a principal and agency basis, as may be permitted under applicable law. As a result of these business relationships, the Investment Manager's affiliates will receive, among other benefits, commissions and mark-ups/mark-downs, and revenues associated with providing prime brokerage and other services.

Certain conflicts of interest may arise from the fact that affiliates of the Investment Manager and/or the Investment Advisor or the Management Company may act as sub-distributors of interests in respect of the Company or certain Sub-Funds. Such entities may also enter into arrangements under which they or their affiliates will issue and distribute notes or other securities the performance of which will be linked to the relevant Sub-Fund.

Where a commission (including a rebated commission) is received by the Investment Manager by virtue of an investment by a Sub-Fund in the units of another collective investment scheme, this commission must be paid into that Sub-Fund.

E. Conflicts of interest in the case of securities lending

The Depositary Bank may also be appointed as the lending agent of the Company under the terms of a securities lending agreement. Under the terms of such an agreement, the lending agent is appointed to manage the Company's securities lending activities and is entitled to receive a fee which is in addition to its fee as Depositary Bank. The income earned from stock lending will be allocated between the Company and the Depositary Bank and the fee paid to the Depositary Bank will be at normal commercial rates. Full financial details of the amounts earned and expenses incurred with respect to stock lending for the Company, including fees paid or payable, will be included in the annual and semi-annual financial statements. The Management Company will, at least annually, review the stock lending arrangements and associated costs.

The Depositary Bank may execute trades through its affiliates on both a principal and agency basis, as may be permitted under applicable law. As a result of these business relationships, the Depositary Bank's affiliates will receive, among other benefits, commissions and mark-ups/mark-downs, and revenues associated with providing prime brokerage and other services.

Certain conflicts of interest may arise from the fact that affiliates of the Depositary Bank or the Management Company may act as sub-distributors of interests in respect of the Company or certain Sub-Funds. Such entities may also enter into arrangements under which they or their affiliates will issue and distribute notes or other securities the performance of which will be linked to the relevant Sub-Fund.

Where a commission (including a rebated commission) is received by the Depositary by virtue of an investment by a Sub-Fund in the units of another collective investment scheme, this commission must be paid into that Sub-Fund.

F. Emerging Markets

(a) In certain countries, there is the possibility of expropriation of assets, confiscatory taxation, political or social instability or diplomatic developments which could affect investment in those countries. There may be less publicly available information about certain financial instruments than some Investors would find customary and entities in some countries may not be subject to accounting, auditing and financial reporting standards and requirements comparable to those to which certain Investors may be accustomed. Certain financial markets, while generally growing in volume, have for the most part, substantially less volume than more developed markets, and securities of many companies are less liquid and their prices more volatile than securities of comparable companies in more sizeable markets. There are also varying levels of government supervision and regulation of exchanges, financial institutions and issuers in various countries. In addition, the manner in which foreign Investors may invest in securities in certain countries, as well as limitations on such investments, may affect the investment operations of the Sub-Funds.

(b) Emerging country debt will be subject to high risk and will not be required to meet a minimum rating standard and may not be rated for creditworthiness by any internationally recognised credit rating organisation. The issuer or governmental authority that controls the repayment of an emerging country's debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. As a result of the foregoing, a government obligor may default on its obligations. If such an event occurs, the Company may have limited legal recourse against the issuer and/or guarantor. Remedies must, in some cases, be pursued in the courts of the defaulting party itself, and the ability of the holder of foreign government debt securities to obtain recourse may be subject to the political climate in the relevant country. In addition, no assurance can be given that the holders of commercial debt will not contest payments to the holders of other foreign government debt obligations in the event of default under their commercial bank loan agreements.

(c) Settlement systems in emerging markets may be less well organised than in developed markets. Thus, there may be a risk that settlement may be delayed and that cash or securities of the Sub-Funds may be in jeopardy because of failures or of defects in the systems. In particular, market practice may require that payment will be made prior to receipt of the security which is being purchased or that delivery of a security must be made before payment is received. In such cases, default by a broker or bank (the Counterparty) through whom the relevant transaction is effected might result in a loss being suffered by Sub-Funds investing in emerging market securities.

(d) The Company will seek, where possible, to use Counterparties whose financial status is such that this risk is reduced. However, there can be no certainty that the Company will be successful in eliminating this risk for the Sub-Funds, particularly as Counterparties operating in emerging markets frequently lack the substance or financial resources of those in developed countries.

(e) There may also be a danger that, because of uncertainties in the operation of settlement systems in individual markets, competing claims may arise in respect of securities held by or to be transferred to the Sub-Funds. Furthermore, compensation schemes may be non-existent or limited or inadequate to meet the Company's claims in any of these events.

(f) In some Eastern European countries there are uncertainties with regard to the ownership of properties. As a result, investing in Transferable Securities issued by companies holding ownership of such Eastern European properties may be subject to increased risk.

G. Not in Bank Assets

The Depositary Bank for the Company may provide, reporting services for a variety of investments that are not held in safekeeping at the Depositary Bank, classified as “Not In Bank” (NIB) assets. The counterparty which holds these NIB assets is chosen by the Company which is fully responsible for this choice and cannot liaise with the Depositary Bank’s responsibility. The Depositary Bank remains responsible for these NIB assets’ supervision, but cannot offer the same protection as required if the assets are held at the Depositary Bank or its representative, particularly in case of the counterparty’s bankruptcy. Therefore, these NIB assets are not as well protected as the assets held by the Depositary Bank or its representative. Moreover, reports are the sources of these records, which are periodically provided by the relevant counterparties or their agents to the Depositary Bank. Due to the nature of these investments, the responsibility of servicing and maintaining these assets falls under the jurisdiction of the counterparties with which the investments are placed and not the Depositary Bank. Similarly, the reporting of investment information and the accuracy of the same is the responsibility of the same counterparties and their agents. The Depositary Bank has no liability for any errors, mistakes or inaccuracies in the information provided by these sources.

H. FATCA

Although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of the 30% withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a withholding tax as a result of FATCA, the value of Shares held by all Shareholders may be materially affected.

The Company and/or its Shareholders may also be indirectly affected by the fact that a non-U.S. financial entity does not comply with FATCA regulations even if the Company satisfies with its own FATCA obligations.

Please refer to Section IX 1. C. for general information related to the United States tax withholding and reporting under the Foreign Account Tax Compliance Act.

I. Industry concentration risk

The Sub-Funds may at certain times hold large positions in a relatively limited number of investments, sectors or regions and will therefore be subject to the risks associated with such concentration. A Sub-Fund could be subject to significant losses if it holds a relatively large position in a single strategy, currency, issuer, industry, market or a particular type of investment that declines in value, and the losses could increase even further if the investments cannot be liquidated without adverse market reaction or are otherwise adversely affected by changes in market conditions or circumstances. Such risks may impact all Sub-Funds which invest in particular sectors even in cases where the investment objective is more generic.

5. GLOBAL EXPOSURE

The relevant Sub-Funds will employ the commitment approach to calculate their global exposure as mentioned on a case-by-case basis in their appendix.

The global exposure of the Sub-Funds may also be measured by the Value at Risk (VaR) methodology and if mentioned in the relevant appendices.

In financial mathematics and financial risk management, VaR is a widely used risk measure of the risk of loss on a specific portfolio of financial assets. For a given investment portfolio, probability and time horizon, VaR measures the potential loss that could arise over a given time interval under normal market conditions, and at a given confidence level. The calculation of VaR is conducted on the basis of a one-sided confidence interval of 99% and a holding period of 20 days. The exposure of the Sub-Funds is subject to periodic stress tests.

The exposure of a Sub-Fund may further be increased by transitory borrowings not exceeding 10% of the assets of this Sub-Fund.

The method used to calculate the global exposure and the expected level of leverage as calculated in accordance with the applicable regulations for each Sub-Fund are set out in Appendix 1.

6. ENVIRONMENTAL, SOCIAL AND GOVERNANCE INDICATORS ("ESG INDICATORS")

Where a Sub-Fund uses ESG Indicators, the following factors shall apply:

The research of La Française is based on a 5-Factor model including not only traditional Environmental, Social and Governance (ESG) criteria but also extending the analysis to critical factors given the increasing complexity of our fast-changing world such as: innovation and adaptability & responsiveness.

These five factors take into account:

1. Environmental Sustainability: commodities dependence, carbon footprint management, energy efficiency, pollution, waste and water management, etc.

2. Human capital: labour right, employee’s evolution, knowledge and training sessions, corporate governance, etc.

3. Organizational capital: relations with regulatory bodies, with suppliers and supply chain, with local communities, with customers, etc.

4. Innovation capacity: innovation culture, internal structures dedicated to innovation, R&D, new products on the markets, etc.

5. Adaptability & responsiveness: management structures, capacity to gather and organise news, strategic agility, public relations, etc.

This analysis is completed by an assessment of companies exposure to the big worldwide challenges or « mega trends » (demographical growth, tension on natural resources, growing urbanization, etc.), the same trends that are going to build the economical and competing environment in which these companies progress. It is a matter of assessing the capacity of companies to take benefit (or not) of these underlying structuring trends. The assessment of their businesses, products showcased, announced strategies and countries and areas in which they operate or expand allows to conduct this sensitivity analysis.

1. THE SHARES

The Company's capital is represented by the assets of its various Sub-Funds. Subscriptions are invested in the assets of the respective Sub-Fund.

Within a Sub-Fund, the Board of Directors may establish categories and/or Classes of Shares corresponding:

(i) to a specific distribution policy, for instance giving a right to distributions ("**distribution Shares**") or not giving a right to distributions ("**capitalisation Shares**"), and/or
(ii) to a specific structure for issue or redemption costs, a specific structure for costs payable to distributors or to the Company, and/or
(iii) to a specific structure for management costs or those for investment advice, and/or to a particular reference currency as well as a hedge policy or not regarding exchange risks; and/or
(iv) to any other specific feature applicable to a category/Class of Shares.

In the event of the Company's dissolution as further described in Article 28 of the Articles of Incorporation, the liquidation thereof shall be carried out by one or more liquidators appointed by the general Shareholders' meeting, in accordance with the Luxembourg 2010 Law and with the Articles of Incorporation. The net result of the liquidation of each Sub-Fund shall be distributed to the Shareholders of the Class of Shares in question, in proportion to the number of Shares which they hold in this Class of Shares. Any amounts which remain unclaimed by Shareholders upon the completion of the liquidation process shall be deposited with the public trust office, the *Caisse de Consignation* in Luxembourg to be held for the benefit of the person(s) entitled thereto and shall be forfeited after 30 days.

Shareholders may request the conversion of all or part of their Shares into Shares of one or more different Sub-Funds, categories or Classes of Shares (see item 4 of this Section).

Subject to the provisions set out in Appendix 1, any individual or corporate entity may acquire Shares in the various Sub-Funds, categories or Classes of Shares subscribing to Shares and paying the subscription price determined in accordance with item 2 of this Section.

The Shares of each Sub-Fund are of no par value and convey no preferential or pre-emptive rights of subscription upon the issue of new Shares. Each Share is entitled to one vote at the general meetings of Shareholders, regardless of its Net Asset Value.

All Shares must be fully paid-up.

The Shares shall at the option of the Shareholder be issued as bearer or registered Shares, regardless of the respective Sub-Fund. Unless otherwise provided for in the relevant Appendix, Shares in all Sub-Funds will be issued in fractions of Shares up to one thousandth of a Share.

Registered Shares may be converted into bearer Shares and vice versa, at the request and expense of the Shareholder.

Bearer Shares will only be accounted to the credit of the Shareholder's securities account with the Registrar and Transfer Agent. There will be no material issue of certificates for bearer Shares.

Share transfer forms for the transfer of registered Shares are available at the registered office of the Company and from the Depositary Bank.

2. ISSUE AND SUBSCRIPTION PRICE OF SHARES

Applications for Shares may be submitted on any business day on which banks are normally open in Luxembourg, unless otherwise defined in Appendix 1 ("**Business Day**"), to the Transfer Agent offices or to the offices of other establishments designated by it, where the Prospectus and the application forms are available.

The Shares of each Sub-Fund, category or Class of Shares of the Company are issued at the subscription price determined on the first Valuation Day following receipt of the completed subscription application. Subscription lists shall be closed on the days and at the times provided for in Appendix 1.

The subscription price corresponds to the Net Asset Value per Share determined in accordance with Chapter V, increased by a commission the rate of which may differ depending of the Sub-Fund, category or Class of Shares in which the subscription is made, as indicated in Appendix 1. Payment for Shares subscribed is made in the reference currency of each Sub-Fund, category or Class of Shares or in a certain number of other currencies and within the deadlines as specified in Appendix 1.

The Company may agree to issue Shares in consideration of a contribution in kind of securities, for example in the case of a merger with an external Sub-Fund, to the extent that those securities are in accordance with the objectives and the investment policy of the Sub-Fund concerned and in accordance with the provisions of the 2010 Law. Such contribution in kind will be subject to a valuation report drawn up by an approved statutory auditor, which may be consulted at the Company's registered office. All the costs associated with the contribution in kind of securities shall be borne by the Shareholders concerned

Any changes in the maximum rate of the fees listed in Appendix 1 of the relevant Sub-Fund shall require the approval of the Company's Board of Directors. Any increases of the maximum rate of these fees, the Prospectus will be updated accordingly after a one month prior notice sent to the Shareholders. These changes will be further communicated in the annual report.

Any taxes or brokerage fees which may be payable in relation to the subscription to Shares are paid by the subscriber. Under no circumstances may these costs exceed the maximum authorised by the laws, ordinances or general banking practices of the countries in which the Shares are acquired.

The Board of Directors may suspend or interrupt the issue of Shares of a Sub-Fund, category or Class of Shares at any time. Moreover, without having to justify its actions, it also has the right to:

- Reject any subscription of Shares;
- Proceed at any time to the compulsory redemption of Shares which have been wrongfully subscribed or held or where the Shareholder does not provide necessary information requested by the Board of Directors in order to comply with the applicable legal and/or regulatory rules, such as, but not limited to, the FATCA and CRS provisions.

For the avoidance of doubt, in the event that a minimum subscription amount is provided for with regards to a Sub-Fund, a category or a Class of Shares, the Company may waive such minimum amount in its sole discretion. Attention of Investors is hereby drawn to the fact that the minimum subscription amount the case being provided for in the relevant Appendix shall not apply to the Management Company, any entity within the Group La Française, or investors subscribing directly through La Française AM Gestion Privée, whose minimum subscription will be 1 Share.

When, following suspension of the issue of Shares of one or more Sub-Funds, the Board of Directors decides to resume the issue; all pending subscriptions shall be processed on the basis of the Net Asset Value determined once the issue has been resumed.

Prevention of money laundering and terrorist financing

In accordance with international regulations and Luxembourg laws and regulations (including, but not limited to, the amended Law of 12 November 2004 on the fight against money laundering and financing of terrorism), the Grand Ducal Regulation dated 1 February 2010, CSSF Regulation 12-02 of 14 December 2012, CSSF Circulars 13/556 and 15/609 concerning the fight against money laundering and terrorist financing, and any respective amendments or replacements, obligations have been imposed on all professionals of the financial sector in order to prevent undertakings for collective investment from money laundering and financing of terrorism purposes. As result of such provisions, the register and transfer agent of a Luxembourg UCI must ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The Register and Transfer Agent may require subscribers to provide any document it deems necessary to effect such identification. In addition, the Register and Transfer Agent, as delegate of the Company, may require any other information that the Company may require in order to comply with its legal and regulatory obligations, including but not limited to the CRS Law (as defined in Section IX).

Within the framework of the fight against money laundering, all physical persons must attach a copy of the subscriber's passport which has been legally certified for example by an Embassy, Consulate, notary's office or police commissioner, to the subscription form; in the case of legal entities, a copy of the articles of incorporation of such entity must be attached. This applies in the following instances:

(1) Direct subscriptions with the Company;

(2) Subscriptions through a provider of financial services who is resident in a country in which there is no identification obligation which fulfils the Luxembourg specifications intended to combat the use of the financial system for money laundering purposes;

(3) Subscriptions through a subsidiary or branch office of a parent company which is subject to an identification obligation which fulfils the provisions of Luxembourg law, if the law which applies to the parent company does not require it to ensure that its subsidiaries and branch offices also comply with the legal stipulations.

This obligation is mandatory, unless:

(i) the subscription form is submitted to the Company by one of its Distributor Agents situated in a country which has ratified the conclusions of the report of the Financial Action Task Force ("**FATF**") on money laundering, or

(ii) the subscription form is sent directly to the Company and the subscription is settled either by:

- A bank transfer from a financial institution residing in an FATF country, or
- A cheque drawn on the personal account of the subscriber with a bank residing in a FATF country or a bank cheque issued by a bank residing in a FATF country.

In case of delay or failure by an applicant to provide the required documentation, the subscription request will not be accepted and in case of redemption, payment of redemption proceeds delayed. Neither the Company nor the Register and Transfer Agent will be held responsible for said delay or failure to process deals resulting from the failure of the applicant to provide documentation or incomplete documentation.

From time to time, shareholders may be asked to supply additional or updated identification documents in accordance with clients' on-going due diligence obligations according to the relevant laws and regulations.

In addition, the Company has to identify the provenance of money from financial institutions that are not subject to an obligation of identification that fulfils the provisions of Luxembourg law. Subscriptions may be temporarily blocked until the provenance of the monies has been identified.

Market timing and late trading

The Board of Directors shall not, knowingly, authorise any practice associated with market timing and late trading and shall reserve the right to reject orders for subscription or conversion of Shares originating from Investors which the Board of Directors might suspect of employing such practices or associated practices and if necessary to take the measures necessary to protect the other investors in the Company.

Market timing is understood to be the technique of arbitrage by which an Investor subscribes to and systematically repurchases or redeems Shares within a short lapse of time by exploiting discrepancies of timing and/or imperfections or deficiencies in the system for determining the Net Asset Value of Shares.

Late trading is understood to be the acceptance of an order for subscription, redemption or conversion of Shares received after the deadline for acceptance of orders on Valuation Day and its execution at the price based on the Net Asset Value applicable on Valuation Day.

3. REPURCHASE OF SHARES

Shareholders may request the redemption in cash of all or a portion of their shareholdings at any time. Redemption requests, considered as irrevocable, may be sent to the Transfer Agent or to the other offices designated by the Company, or to the registered office of the Company. Such applications shall include the following information: the exact identity and exact address of the person applying for the redemption together with the number of Shares to be redeemed, the Sub-Fund, category or Class of Shares of which such Shares are part, whether they are registered or bearer Shares, as well as the reference currency of the Sub-Fund.

Redemption lists shall be closed on the days and at the times provided for in Appendix 1. Redemption applications registered after the deadline shall automatically be considered as redemption applications received for the next following Business Day. The redemption price of the Shares shall be paid out in the currency as indicated in Appendix 1.

For each Share presented, the amount reimbursed to the Shareholder is equal to the Net Asset Value per Shares, determined on the relevant Valuation Day after deduction of a commission in favour of the Company and/or financial intermediaries, the rate of which appears in Appendix 1 (if any).

The redemption value may be equal to, higher than, or lower than the acquisition price paid.

Redemption proceeds shall be paid within such time limits as are indicated in Appendix 1.

Redemption proceeds shall only be paid out after receipt of the confirmation representing the Shares to be redeemed, and of the statement of transfer for registered Shares.

With the express written agreement of the Shareholders concerned, and if the principle of the equal treatment is observed, the Company may proceed with total or partial redemptions of Shares, by way of payment in kind in accordance with the conditions established by the Company (including, and without limitation, the presentation of an independent valuation report from the Company's approved statutory auditor).

Suspension of the calculation of the Net Asset Value of the Shares automatically leads not only to the suspension of Share issues but also of redemption and conversion operations. Notification of any suspension of redemption operations shall be made in accordance with section V.2. of the present Prospectus, by all appropriate means, to Shareholders who have presented requests for the redemption of their Shares, whereby the processing of these requests shall be delayed or suspended accordingly.

If the Board of Directors is unable to process the settlement of redemption applications made if the net total of the redemption applications received relates to more than 10% of a Sub-Fund's assets, it may decide that all the redemption applications presented are reduced and deferred on a pro rata basis, so as to reduce the number of Shares redeemed that day to 10% of the relevant Sub-Fund's assets during a period of time which it shall determine and not exceeding 30 calendar days.

Neither the Company's Board of Directors nor the Depositary Bank may be held responsible for any default of payment resulting from possible exchange restrictions, or other circumstances beyond their control which may limit or render impossible the transfer to other countries of the redemption proceeds.

4. CONVERSION OF SHARES INTO SHARES OF OTHER SUB-FUNDS, CATEGORIES OR CLASSES OF SHARES

Shareholders may request the conversion of all or part of their Shares into Shares of another Sub-Fund, category or Class of Shares by notifying the Transfer Agent or other offices designated by the Company, in writing or by telex or fax, giving the name of the Sub-Fund into which the Shares should be converted and specifying whether the Shares to be converted and the Shares of the new Sub-Fund, category or Class of Shares to be issued should be registered or bearer Shares. Failure to specify the required Class of Shares shall lead to conversion into Shares of the same category and/or Class of Shares. Conversion lists shall be closed at the same time as issue and redemption lists, as defined in Appendix 1 of each Sub-Fund.

Exceptionally, only Shareholders who can be qualified as institutional Investors (the "**Institutional Investors**") may apply for conversion of the Shares into Shares of the "Institutional" category as the Shares of that category are exclusively reserved for Institutional Investors.

Conversion requests are to be accompanied, as the case may be, by the bearer Share confirmation(s), or by the confirmation(s) representing registered Shares. Subject to a suspension of the calculation of the Net Asset Value, the conversion of Shares may be carried out on every Valuation Day following receipt of the conversion application by reference to the Net Asset Value of the Shares of the Sub-Fund concerned for that Valuation Day.

The conversion may not take place if the calculation of Net Asset Value of one of the Sub-Funds, categories or Classes of Shares concerned is suspended. In the case of significant applications (i.e. more than 10% of the Sub-Fund's assets) it may also be delayed under the same conditions which may be applied to redemptions. The number of Shares allocated in the new Sub-Fund, the new category or the new Class of Shares shall be established according to the following formula:

$$A = \frac{B \times C}{D}$$

where:

A is the number of Shares allocated in the new Sub-Fund, the new category or the new Class of Shares;

B is the number of Shares presented for conversion;

C is the Net Asset Value of a Share in the Sub-Fund, category or Class of Shares in which the Shares are presented for conversion on transaction day;

D is the Net Asset Value of a Share in the new Sub-Fund, the new category or the new Class of Shares on transaction day.

Following conversion, the Transfer Agent shall inform the Shareholder as to the number of Shares held in the new Sub-Fund and the corresponding price.

If actual registered and un-certificated or dematerialised bearer Share confirmations have been issued, fractional Shares that may result from the conversion shall not be allocated and the Shareholder shall be deemed to have requested their redemption. In that case the Shareholder shall be repaid the amount of any possible difference between the Net Asset Values of the Shares thus exchanged unless such difference is lower than EUR 10.- or as the case may be their equivalent in another currency. Undistributed fractions shall be aggregated and shall be paid back into the concerned Sub-Fund.

Conversions of Shares of one Sub-Fund, category or Class of Shares into Shares of another Sub-Fund, category or Class of Shares (a "switch") are subject to the commissions or fees if any, as listed in Appendix 1.

5. STOCK EXCHANGE LISTING

As set forth in Appendix 1 of each Sub-Fund, the Shares may, upon decision of the Board of Directors, be admitted to official listing on the *Bourse de Luxembourg* (Luxembourg Stock Exchange).

V. NET ASSET VALUE

1. GENERAL

A. DEFINITION AND CALCULATION OF THE NET ASSET VALUE

The Net Asset Value per Share of each Sub-Fund, category or Class of Shares is calculated in Luxembourg by the Administrative Agent, under the ultimate responsibility of the Board of Directors of the Company, according to the frequency indicated in Appendix 1 of each Sub-Fund. The minimum frequency shall be at least twice a month. If such a day is a bank legal holiday in Luxembourg, the Net Asset Values of the Sub-Funds shall be calculated on the next following Business Day.

The accounts of each Sub-Fund or category or Class of Shares shall be kept separately. The Net Asset Value shall be calculated for each Sub-Fund or category or Class of Shares and shall be expressed in the reference currency, as specified in Appendix 1.

The Net Asset Value of the Shares in each Sub-Fund or category or Class of Shares shall be determined by dividing the Net Asset Value of each Sub-Fund or category or Class of Shares by the total number of Shares of each Sub-Fund or category or Class of Shares in circulation. The Net Asset Value of each Sub-Fund or category or Class of Shares correspond to the difference between the assets and the liabilities of each of the Sub-Funds or categories or Classes of Shares.

B. DEFINITION OF THE POOL OF ASSETS

The Board of Directors shall form a separate pool of net assets for each Sub-Fund. Amongst the Shareholders, this pool of assets shall be attributed only to the Shares issued by the respective Sub-Fund, although the possibility of allocation of such a pool between the various categories and/or Classes of Shares of the Sub-Fund as defined in the present section must be taken into consideration.

For the purpose of establishing separate pools of assets corresponding to a Sub-Fund or to two or more categories and/or Classes of Shares of a given Sub-Fund, the following rules apply:

(a) If two or more categories/Classes of Shares relate to a specific Sub-Fund, the assets attributed to those categories and/or Classes of Shares shall be invested together according to the investment policy of the Sub-Fund concerned subject to the specific features associated with those categories and/or Classes of Shares;

(b) The proceeds resulting from the issue of Shares relating to one category and/or one Class of Shares shall be attributed in the Company’s books to the Sub-Fund which offers that category and/or Class of Shares given that, if several categories and/or Classes of Shares are issued for that Sub-Fund, the corresponding amount will increase the proportion of the net assets of that Sub-Fund attributable to the category and/or Class of Shares to be issued;

(c) The assets, liabilities, income and costs relating to a Sub-Fund shall be attributed to the category or categories and/or Class or Classes of Shares corresponding to that Sub-Fund;

(d) When one asset arises out of another asset, that asset shall be attributed, in the Company’s books, to the same Sub-Fund or to the same category and/or Class of Shares to which the asset belongs from which it arises, and to each new valuation of an asset, the increase or reduction of value shall be attributed to the Sub-Fund or to the category and/or Class of Shares which corresponds;

(e) When the Company bears a liability which is attributable to an asset of a specific Sub-Fund or a category and/or Class of Shares or to a transaction carried out in relation to an asset of a specific Sub-Fund or a category and/or Class of Shares, that liability shall be attributed to that Sub-Fund or that category and/or Class of Shares;

(f) In the case where an asset or a liability of the Company cannot be attributed to a specific Sub-Fund, that asset or liability shall be attributed to all the Sub-Funds, in proportion to the Net Asset Value of the categories and/or Classes of Shares concerned or in such a way that the Board of Directors shall determine in good faith;

(g) As a consequence of distributions made to the holders of Shares of a category and/or Class of Shares, the Net Asset Value of that category and/or Class of Shares shall be reduced by the amount of those distributions.

C. VALUATION OF ASSETS

Unless otherwise provided in Appendix 1, the assets and liabilities of each of the Company's individual Sub-Funds shall be valued on the basis of the following principles:

(1) The value of cash in hand or on deposit, notes and bills payable on demand and all accounts receivable, prepaid costs, dividends and interest due but not yet received shall correspond to the full par value, unless it proves to be unlikely that the full value shall be received; in which case the value shall be calculated by subtracting a certain amount which appears to be appropriate in order to reflect the true value of such assets;

(2) The valuation of transferable securities and money market instruments listed or traded on an official stock market or other regulated market which operates regularly and is recognised and open to the public, shall be based on the last known price and if that transferable security / money market instrument is traded on several markets, on the basis of the last known price on the principal market for that security or instrument. If the last known price is not representative, the valuation shall be based on the probable realisation value estimated with prudence and in good faith;

(3) Securities and money market instruments not listed or traded on an official stock exchange or on another regulated market which operates regularly and is recognised and open to the public shall be valued on the basis of their probable sale price as estimated prudently and in accordance with the principle of prudence and good faith;

(4) Prices of securities denominated in currencies other than the currency of account of the respective Sub-Funds shall be converted at the last available exchange rate;

(5) The settlement value of future contracts and option contracts which are not traded on regulated markets shall be equivalent to their net settlement value determined in accordance with the policies established by the Board of Directors, on a basis applied consistently to each type of contract. The settlement value of future contracts or option contracts traded on regulated markets shall be based on the last price available for settlement of those contracts on the regulated markets on which those future contracts or those option contracts are traded by the Company; insofar as if a future contract or an option contract cannot be settled on the day on which the net assets are valued, the

basis which shall serve to determine the settlement value of that contract shall be determined by the Board of Directors in a fair and reasonable manner;

(6) The Board of Directors may authorise the use of amortised cost method of valuation for short-term transferable debt securities in certain Sub-Funds. This method involves valuing a security at its cost and thereafter assuming a constant amortisation to maturity of any discount or premium regardless of the impact of fluctuating interest rates on the market value of the security or other instrument. While this method provides certainty in valuation, it may result in periods during which value as determined by amortised cost, is higher or lower than the price the Sub-Fund would receive if it sold the securities. This method of valuation will only be used in accordance with ESMA guidelines concerning eligible assets for investments by UCITS and only with respect to securities with a maturity at issuance or residual term to maturity of 397 days or less or securities that undergo regular yield adjustments at least every 397 days;

(7) The shares of UCITS and/or other UCI shall be valued at their last known net asset value per share;

(8) Interest rate swaps shall be valued at their market value established by reference to the applicable rate curve. Swaps on indices or financial instruments shall be valued at their market value established by reference to the index of the financial instrument concerned. The valuation of swap contracts relating to those indices or financial instruments shall be based on the market value of those swap transactions in accordance with the procedures established by the Board of Directors;

(9) All other securities and assets shall be valued at their market value determined in good faith, in accordance with the procedures established by the Board of Directors;

(10) All other asset balances shall be valued on the basis of their probable realisation price, as estimated prudently and in accordance with the principle of prudence and good faith.

2. SUSPENSION OF THE CALCULATION OF THE NET ASSET VALUE AND OF THE ISSUE, CONVERSION AND REDEMPTION OF SHARES

(1) Irrespective of the legal causes of suspension, the Board of Directors may at any moment suspend the valuation of the net value of the Shares as well as the issue and redemption and conversion of these Shares in the following cases:

(a) During any period when any of the principal stock exchanges or any other regulated market on which any substantial portion of the Company's investments of the relevant Class of Shares for the time being are quoted, is closed or during which dealings are restricted or suspended;

(b) During the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of investments of the relevant Class of Shares by the Company is impracticable;

(c) During any breakdown in the means of communication normally employed in determining the price or value of any of the Company's investments or the current prices or values on any market or stock exchange;

(d) During any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of such Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of such Shares cannot in the opinion of the Board of Directors be effected at normal rates of exchange;

(e) Further to the publication of a convening notice to a general meeting of Shareholders in order to resolve the winding up or the liquidation of the Company;

(f) If the Board of Directors has determined that there has been a material change in the valuations of a substantial proportion of the investments of the Company attributable to a particular Class of Shares in the preparation or use of a valuation or the carrying out of a later or subsequent valuation;

(g) During any other circumstance or circumstances where a failure to do so might result in the Company or its Shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or any other detriment which the Company or its Shareholders might so otherwise have suffered;

(h) When a Sub-Fund merges with another Sub-Fund or with another UCITS (or a sub-fund of such other UCITS) provided any such suspension is justified by the protection of the Shareholders; and/or

(i) When a Sub-Fund is a Feeder of another UCITS, if the net asset value calculation of the said Master UCITS or sub-fund or class of shares is suspended.

(2) The suspension of the calculation of the Net Asset Value of the Shares of one or more Sub-Funds shall be announced by any appropriate means, and in particular by publication of a notice of suspension in the newspapers in which the Net Asset Values are normally published. Appropriate notice that the Net Asset Value calculation has been suspended shall also be given to Shareholders who have requested the conversion or redemption of the Shares of this or these Sub-Fund(s).

(3) In exceptional circumstances which might adversely affect the interests of Shareholders or in the case of significant applications for redemption of Shares or conversion of Shares, the Board of Directors of the Company reserves the right to fix the value of the Shares of the Sub-Fund only after having carried the sales of the relevant transferable securities out on behalf of the Company.

In such a case, subscriptions, applications for redemption and conversions of Shares simultaneously in the process of execution shall be satisfied on the basis of the first Net Asset Value thus calculated.

VI. DIVIDENDS

1. DIVIDEND DISTRIBUTION POLICY

Further to the proposition of the Board of Directors, the annual general meeting of Shareholders shall decide on the use to be made of the annual net profits as shown in the accounts as at 31 December of each calendar year.

The general meeting of Shareholders reserves the right, within the limits of applicable law, to distribute the net assets of each of the Company's Sub-Funds. The nature of the distribution (net investment income or capital) shall be recorded in the Company's financial statements.

Any decision of the general meeting of Shareholders to distribute dividends to the Shareholders of a particular Sub-Fund, category or Class of Shares requires the prior approval of the Shareholders of that Sub-Fund, category or Class of Shares, voting at the same majority requirement as indicated in the Articles of Incorporation.

The Board of Directors may decide to pay interim dividends.

2. PAYMENT

Dividends and interim dividends attributed to a Class of Shares shall be paid on the date and at the place determined by the Board of Directors.

Dividends and interim dividends to be paid out and which fail to be collected by the Shareholders entitled thereto within five years from the payment date may no longer be claimed and shall revert to the Sub-Fund, category and/or Class of Shares concerned.

No interest shall be paid on unclaimed dividends or interim dividends that are held by the Company, up to the expiry date, in the name of the Shareholders to whom these amounts are due.

Income distribution payments are due only to the extent that the applicable foreign exchange regulations permit such distribution in the beneficiary's country of residence.

VII. COSTS BORNE BY THE COMPANY

The Company assumes liability for the following costs:

- The costs incurred in connection with the formation of the Company, including the cost of services rendered in the formation of the Company;

- All ordinary and administrative expenses at the rates set out in "Appendix 1 – Sub-Funds" (the "**Operating costs**")
  The Operating costs cover expenses and costs contracted by the Company, namely:
  - the Depositary fees;
  - auditing fees and expenses;
  - accounting expenses covering fund accounting and administration services;
  - transfer agency expenses covering registrar and transfer agency services;
  - the Administrative Agent and Domiciliary Agent services;
  - legal fees and expenses;
  - listing and quotation fees;
  - the costs and expenses of preparing, printing the Company's Prospectus, Key Investor Information Documents or any offering document, financial reports and other documents made available to Shareholders;
  - directors' fees (no fees will be paid to Directors who are also directors or employees of La Française group) and reasonable out-of-pocket expenses incurred by the Directors; and
  - all other expenses and costs relating to the operations of the Company.
    Fees paid to the Management Company which will be the remaining amount of the Operating costs after deduction of the expenses detailed above.

- The fees and costs related to the registration, and maintaining the registration, of the Company with governmental bodies and distribution costs;
- The fees and reasonable out-of pocket expenses of the paying agents and representatives;
- the Luxembourg "*taxe d'abonnement*";
- Costs of Share Class hedging;
- Brokerage fees and any other fees and commissions arising from transactions involving securities and investment instruments in the portfolio;
- Taxes and deductions which may be payable on the Company's income;
- The costs of advisory services and other expenses in connection with extraordinary measures, in particular those arising from the consultation of experts and other such procedures intended to protect the Shareholders' interests.

These costs and expenses shall be paid out of the assets of the different Sub-Funds pro rata to their net assets.

Under the terms of the agreements entered into by the Management Company with the Investment Advisor(s) and/or Manager(s), the Company shall pay the relevant advisory and/or management and/or performance fee, to be calculated as stipulated in Appendix 1.

Costs related to the establishment of any new Sub-Fund will be borne by such new Sub-Fund and amortised over a period of 1 (one) year from the date of establishment of such Sub-Fund or over any other period as the Board of Directors may determine, with a maximum of 5 (five) years starting on the date of the Sub-Fund's establishment.

When a Sub-Fund is liquidated, any setting-up costs that have not yet been amortised will be charged to the Sub-Fund being liquidated.

VIII. COSTS BORNE BY THE SHAREHOLDER

a) Current subscription: Shares are issued at a price corresponding to the Net Asset Value per Share, without subscription fees, unless otherwise stipulated in each Sub-Fund's descriptive Appendix 1.

b) Redemption procedure: the redemption price of Shares may be higher or lower than the purchase price paid by the Shareholder at the time of subscription, depending upon whether the Net Asset Value has risen or fallen, without redemption fees, unless otherwise stipulated in each Sub-Fund descriptive Appendix 1.

c) Conversion of Shares: the basis for conversion is linked to the respective Net Asset Value per Share of the two Sub-Funds or categories or Classes of Shares concerned, without conversion fees, unless otherwise stipulated in each Sub-Fund descriptive Appendix 1.

1. TAX REGIME

The following information is based on the laws, regulations, decisions and practice currently in force in Luxembourg and is subject to changes therein, possibly with retrospective effect. This summary does not purport to be a comprehensive description of all Luxembourg tax laws and Luxembourg tax considerations that may be relevant to a decision to invest in, own, hold, or dispose of shares and is not intended as tax advice to any particular investor or potential Investor. Prospective investors should consult their own professional advisers as to the implications of buying, holding or disposing of shares and to the provisions of the laws of the jurisdiction in which they are subject to tax. This summary does not describe any tax consequences arising under the laws of any state, locality or other taxing jurisdiction other than Luxembourg.

A. TAXATION OF THE COMPANY

The Company is governed by Luxembourg tax laws.

According to Luxembourg tax laws, the Company is exempt from Luxembourg corporate income tax, municipal business tax and net worth tax.

In accordance with current legislation, the Company is liable to an annual subscription tax of 0.05% per annum *(to the exception of the Sub-Funds or their Classes of Shares liable to benefit from the lower 0.01% rate per annum, as mentioned in* Appendix 1*)*, calculated and payable quarterly on the basis of the Company's net assets at the end of the relevant quarter.

No fees or taxes are payable in Luxembourg on the issue of Shares, with the exception of a fixed registration duty which is due at the time of incorporation or amendment of the Articles of Incorporation.

Income received by the Company on foreign investments may be liable to withholding taxes in the country of origin and is collected by the Company after deduction of the relevant tax. Withholding taxes are neither recoverable nor refundable.

At present, no tax or stamp duty is payable in Luxembourg on the issue of Shares.

Finally, the Company may also be subject to indirect taxes on transactions and services invoiced due to various laws in force.

B. TAXATION OF THE SHAREHOLDERS

Luxembourg resident individuals

Capital gains realised on the sale of the Shares by Luxembourg resident individuals investors who hold the Shares in their personal portfolios (and not as business assets) are generally not subject to Luxembourg income tax except if:

(j) the Shares are sold within 6 months from their subscription or purchase; or

(iii) the Shares held in the private portfolio constitute a substantial shareholding. A shareholding is considered as substantial when the seller holds or has held, alone or with his/her spouse and underage children, either directly or indirectly at any time during the five years preceding the date of the disposal, more than 10% of the share capital of the company.

Distributions made by the Company will be subject to income tax. Luxembourg personal income tax is levied following a progressive income tax scale, and increased by the solidarity surcharge (*contribution au fonds pour l'emploi*) giving an effective maximum marginal tax rate of 43.6%.

Luxembourg resident corporate

Luxembourg resident corporate investors will be subject to corporate taxation on capital gains realised upon disposal of Shares and on the distributions received from the Company.

Luxembourg corporate resident investors who benefit from a special tax regime, such as, for example, (i) an UCI subject to the 2010 Law, (ii) specialised investment funds subject to the amended law of 13 February 2007 on specialised investment funds, or (ii) family wealth management companies subject to the amended law of 11 May 2007 related to family wealth management companies, are exempt from income tax in Luxembourg, but instead subject to an annual subscription tax (*taxe d'abonnement*) and thus income derived from the Shares, as well as gains realised thereon, are not subject to Luxembourg income taxes.

The Shares shall be part of the taxable net wealth of the Luxembourg resident corporate investors except if the holder of the Shares is (i) a UCI subject to the 2010 Law, (ii) a vehicle governed by the amended law of 22 March 2004 on securitisation, (iii) an investment company governed by the amended law of 15 June 2004 on the investment company in risk capital, (iv) a specialised investment fund subject to the amended law of 13 February 2007 on specialised investment funds or (v) a family wealth management company subject to the amended law of 11 May 2007 related to family wealth management companies. The taxable net wealth is subject to tax on a yearly basis at the rate of 0.5%. A reduced tax rate of 0.05% is due for the portion of the net wealth tax exceeding EUR 500 million.

Non-Luxembourg residents

Non-resident individuals or collective entities who do not have a permanent establishment in Luxembourg to which the Shares are attributable, are not subject to Luxembourg taxation on capital gains realised upon disposal of the Shares nor on the distribution received from the Company and the Shares will not be subject to net wealth tax.

Automatic Exchange of Information

The OECD has developed a CRS to achieve a comprehensive and multilateral automatic exchange of information (AEOI) on a global basis. On 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (the "Euro-CRS Directive") was adopted in order to implement the CRS among the Member States. For Austria, the Euro-CRS Directive applies the first time by 30 September 2018 for the calendar year 2017, i.e. the Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments of 3 June 2003 will apply one year longer.

The Euro-CRS Directive was implemented into Luxembourg law by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation ("CRS Law"). The CRS Law requires Luxembourg financial institutions to identify financial assets holders and establish if they are fiscally resident in countries with which Luxembourg has a tax information sharing agreement. Luxembourg financial institutions will then report financial account information of the asset holder to the Luxembourg tax authorities, which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis.

Accordingly, the Company may require its investors to provide information in relation to the identity and fiscal residence of financial account holders (including certain entities and their controlling persons) in order to ascertain their CRS status and report information regarding a shareholder and his/her/its account to the Luxembourg tax authorities (*Administration des Contributions Directes*), if such account is deemed a CRS reportable account under the CRS Law. The Company shall communicate any information to the investor according to which (i) the Company is responsible for the treatment of the personal data provided for in the CRS Law; (ii) the personal data will *inter alia* be used for the purposes of the CRS Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*); (iv) responding to CRS-related questions is mandatory and accordingly the potential consequences in case of no response; and (v) the investor has a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*).

Under the CRS Law, the first exchange of information will be applied by 30 September 2017 for information related to the calendar year 2016. Under the Euro-CRS Directive, the first AEOI must be applied by 30 September 2017 to the local tax authorities of the Member States for the data relating to the calendar year 2016.

In addition, Luxembourg signed the OECD's multilateral competent authority agreement ("Multilateral Agreement") to automatically exchange information under the CRS. The Multilateral Agreement aims to implement the CRS among non-Member States; it requires agreements on a country-by-country basis.
The Company reserves the right to refuse any application for Shares if the information provided or not provided does not satisfy the requirements under the CRS Law.

Investors should consult their professional advisors on the possible tax and other consequences with respect to the implementation of the CRS.

Prospective Shareholders should seek information, and if need be to request advice, on the laws and regulations (such as those concerning taxation and foreign exchange controls) which apply to the subscription, purchase, holding and disposal of Shares in their country of origin, residence and/or domicile.

C. FATCA

The Foreign Account Tax Compliance Act ("FATCA"), a portion of the 2010 Hiring Incentives to Restore Employment Act, became law in the United States in 2010. It requires financial institutions outside the US ("foreign financial institutions" or "FFIs") to pass information about "Financial Accounts" held by "Specified US Persons", directly or indirectly, to the US tax authorities, the Internal Revenue Service ("IRS") on an annual basis. A 30% withholding tax is imposed on certain US source income of any FFI that fails to comply with this requirement. On 28 March 2014, the Grand-Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("IGA") with the United States of America and a memorandum of understanding in respect thereof. The Company would hence have to comply with such Luxembourg IGA as implemented into Luxembourg law by the Law of 24 July 2015 relating to FATCA (the "FATCA Law") in order to comply with the provisions of FATCA rather than directly complying with the US Treasury Regulations implementing FATCA. Under the FATCA Law and the Luxembourg IGA, the Company may be required to collect information aiming to identify its direct and indirect shareholders that are Specified US Persons for FATCA purposes ("FATCA reportable accounts"). Any such information on FATCA reportable accounts provided to the Company will be shared with the Luxembourg tax authorities which will exchange that information on an automatic basis with the Government of the United States of America pursuant to Article 28 of the convention between the Government of the United States of America and the Government of the Grand-Duchy of

Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes in Income and Capital, entered into in Luxembourg on 3 April 1996. The Company intends to comply with the provisions of the FATCA Law and the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of the Company. The Company will continually assess the extent of the requirements that FATCA and notably the FATCA Law place upon it.

To ensure the Company's compliance with FATCA, the FATCA Law and the Luxembourg IGA in accordance with the foregoing, the Company, the Management Company, in its capacity as the Company's management company, may:

a) request information or documentation, including W-8 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a shareholder's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such shareholder's FATCA status;
b) report information concerning a shareholder and his account holding in the Company to the Luxembourg tax authorities if such account is deemed a FATCA reportable account under the FATCA Law and the Luxembourg IGA;
c) report information to the Luxembourg tax authorities (*Administration des Contributions Directes*) concerning payments to shareholders with FATCA status of a non-participating foreign financial institution;
d) deduct applicable US withholding taxes from certain payments made to a shareholder by or on behalf of the Company in accordance with FATCA, the FATCA Law and the Luxembourg IGA; and
e) divulge any such personal information to any immediate payor of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income.

The Company shall communicate any information to the investor according to which (i) the Company is responsible for the treatment of the personal data provided for in the FATCA Law; (ii) the personal data will *inter alia* be used for the purposes of the FATCA Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*); (iv) responding to FATCA-related questions is mandatory and accordingly the potential consequences in case of no response; and (v) the investor has a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*).

The Company reserves the right to refuse any application for shares if the information provided by a potential investor does not satisfy the requirements under FATCA, the FATCA Law and the IGA.

2. LEGAL REGIME

Any dispute arising between Shareholders and the Company shall be settled by arbitration proceedings. The arbitration shall be subject to the laws of Luxembourg and their decision shall be final.

3. OFFICIAL LANGUAGE

The official language of the present Prospectus and of the Articles of Incorporation is the English language; the Board of Directors of the Company and the Depositary Bank however may for their own account and that of the Company consider that translation into the languages of the countries where the Shares are offered and sold shall be mandatory. In the case of any discrepancy between the English original and a foreign language version into which the Prospectus is translated, the English version shall prevail.

X. FINANCIAL YEAR – MEETINGS – PERIODICAL REPORTS

1. FINANCIAL YEAR

The Company's financial year starts on 1 January and ends on 31 December of each calendar year.

2. MEETINGS

The annual general meeting of Shareholders shall take place in the Grand Duchy of Luxembourg at the registered office of the Company at 3.30 P.M. on the third Tuesday of May.

If that day falls on an official public holiday in Luxembourg, the annual general meeting of shareholders shall be held on the next following Business Day.

The written notices convening annual general meetings of Shareholders, indicating the date and time of the meeting and setting out the quorum and majority vote requirements, shall be sent at least eight days prior to the meeting to all holders of registered Shares at their address listed in the register of Shareholders. The notice of the meeting, which shall contain the meeting’s agenda, shall be published in accordance with the Luxembourg law on commercial companies.

Resolutions passed at these annual general meetings of Shareholders shall be binding on all Shareholders, irrespective of the Sub-Fund in which their Shares are held. However, resolutions taken by the annual general meeting of Shareholders to distribute dividends to the Shareholders of a Sub-Fund shall require the prior approval of the Shareholders holding Shares in that Sub-Fund, category or Class of Shares except in such conditions as are set forth in section VI (I) of the Prospectus.

The Shareholders of a category or Class of Shares issued for a Sub-Fund may at any time hold general meetings with the aim of deliberating on matters relating solely to that Sub-Fund.

Moreover, the Shareholders of any category or Class of Shares may at any time hold general meetings with the aim of deliberating on matters relating solely to that category or Class of Shares.

The resolutions passed at such meetings shall be applied respectively to the Sub-Fund and/or the category or Class of Shares concerned.

3. PERIODIC REPORTS

Annual reports as of 31 December, certified by the approved statutory auditors, together with uncertified semi-annual reports as at 30 June, shall be available free of charge to Shareholders at the office of the Depositary Bank, at other offices designated by it, and at the registered office of the Company. The Company is authorised to publish summary financial reports bearing the mention that the Shareholders may obtain a full version of the same from the same offices as above. A full version of these financial reports may however be obtained free of charge from the registered office of the Company, from the Depositary Bank as well as from offices designated by the Company. These reports shall contain information on each Sub-Fund as well as on the assets of the Company as a whole.

The financial statements of each Sub-Fund shall be drawn up in the reference currency of the respective Sub-Fund, while the consolidated accounts shall be expressed in EUR.

The annual reports shall be made available to Shareholders within four months after the end of the financial year. The semi-annual reports shall be made available to Shareholders within two months after the end of the semester, but at the latest on the 30st day of August of each calendar year.

XI. LIQUIDATION - MERGING OF SUB-FUNDS

1. LIQUIDATION OF THE COMPANY

The Liquidation of the Company is governed by the provisions and conditions of the Luxembourg law.

A. MINIMUM ASSETS

In the event that the Company's corporate capital falls below two thirds of the legally required minimum, the Board of Directors must submit the question of the Company's liquidation to a general meeting of Shareholders for which no quorum shall be prescribed and which shall take its decisions by a simple majority of the Shares represented at the meeting.

In the event that the Company's corporate capital falls below one quarter of the required minimum, the Board of Directors must submit the question of the Company's liquidation to a general meeting of Shareholders for which no quorum shall be prescribed. Liquidation may be resolved by Shareholders holding one quarter of the Shares represented at the meeting.

Such meeting must be convened so as to be held within forty days after determining that the net assets have fallen below either two thirds or one quarter of the legal minimum capital. Moreover, the Company may be dissolved by a resolution of a general meeting of Shareholders ruling in accordance with the relevant provisions of the Articles of Incorporation.

The decisions of the general meeting of Shareholders or of the law court on the liquidation and winding-up of the Company shall be published in the RESA and in two newspapers with reasonably wide circulation, of which at least one must be a Luxembourg newspaper. The liquidator(s) shall be responsible for arranging publication.

B. VOLUNTARY LIQUIDATION

In the event that the Company is wound-up, the liquidation shall be carried out by one or more liquidators appointed in accordance with the Articles of Incorporation and the provisions of the Luxembourg laws, whereby the net proceeds of liquidation are to be distributed among the Shareholders after deduction of liquidation expenses.

Amounts which have not been distributed at the close of the liquidation procedure shall be deposited in the name of the entitled person with the *Caisse de Consignation* in Luxembourg until the respective expiry date.

Shares shall cease to be issued, redeemed or converted as soon as the resolution to wind-up the Company has been taken.

2. CLOSURE AND MERGER OF SUB-FUNDS

A. CLOSURE OF A SUB-FUND, CATEGORIES OR CLASSES

In the event that the assets in any Sub-Fund, categories or Classes of Shares should fall below a threshold considered by the Board of Directors as a minimum below which the management of that Sub-Fund, categories or Classes of Shares**,** would become too problematic, the Board of Directors may decide to close the Sub-Fund, categories or Classes of Shares. The same may also apply within the framework of a rationalisation of the range of products offered to the Company's clients.

The decision and methods applying to the closing of the Sub-Fund, categories or Classes of Shares shall be brought to the knowledge of Shareholders of the concerned Sub-Fund by way of the publication of notices to that effect in such newspapers as are mentioned in section XII below.

A notice relating to the closing of the Sub-Fund, categories or Classes of Shares shall also be communicated to all the registered Shareholders of that Sub-Fund.
In such event, the net assets of the concerned Sub-Fund, categories or Classes of Shares shall be divided among the remaining Shareholders of the Sub-Fund, categories or Classes of Shares. Amounts which have not been claimed by Shareholders at the time of the closure of the liquidation operations of the Sub-Fund shall be deposited with the *Caisse de Consignation* in Luxembourg, for the profits of their rightful assignees, until the prescribed date of limitation.

B. MERGER OF SUB-FUNDS, CATEGORIES OR CLASSES

The Board of Directors of the Company may decide, in the interest of the Shareholders, to transfer or merge the assets of one Sub-Fund, category or Class of Shares to those of another Sub-Fund, category or Class of Shares within the Company in accordance with the provisions on mergers of UCITS set forth in the 2010 Law and any implementing regulation (relating in particular to the notification to Shareholders concerned). Such mergers may be performed for reasons of various economic reasons justifying a merger of Sub-Funds, categories or Classes of Shares. The merger decision shall be published and be sent to all registered Shareholders of the Sub-Fund, category or of the concerned Class of Shares. The publication in question shall indicate, in addition, the characteristics of the new sub-fund, the new category or Class of Shares. Every Shareholder of the relevant Sub-Funds, categories or Classes of Shares shall have the opportunity of requesting the redemption or the conversion of his own Shares without any cost (other than the cost of disinvestment) during a period of at least thirty (30) days before the effective date of the merger, it being understood that the effective date of the merger takes place five (5) Business Days after the expiry of such notice period.

In the same circumstances as described in the previous paragraph and in the interest of the Shareholders, the transfer of assets and liabilities attributable to a Sub-Fund, category or Class of Shares to another UCITS or to a sub-fund, category or class of shares within such other UCITS (whether established in Luxembourg or another Member State and whether such UCITS is incorporated as a company or is a contractual type fund), may be decided by the Board of Directors of the Company, in accordance with the provisions of the 2010 Law and Directive 2009/65/EC.

In the case of a contribution in a different undertaking for collective investment (other UCI), of the type “investment or mutual fund”, the contribution shall only involve the Shareholders of the Sub-Fund, the category or the Class of Shares in question who have expressly approved the contribution. Otherwise, the Shares belonging to the other Shareholders who have not made a statement regarding that merger shall be reimbursed without any cost. Such mergers may be carried out in various economic circumstances that justify a merger of Sub-Funds.

In case of a merger of a Sub-Fund, category or Class of Shares where, as a result, the Company ceases to exist, the merger needs to be decided by a meeting of Shareholders of the Sub-Fund, category or Class of Shares concerned, for which no quorum is required and decisions are taken by the simple majority of the votes cast.

XII. INFORMATION AND DOCUMENTS AVAILABLE TO THE PUBLIC

1. INFORMATION FOR SHAREHOLDERS

A. NET ASSET VALUE

The Net Asset Values of the Shares in each Sub-Fund, category or Class of Shares shall be available on each Business Day at the registered office of the Company. The Board of Directors may subsequently decide to publish such net assets in newspapers of the countries where the Shares are offered or sold. They shall moreover be posted each Business Day on Fundsquare and Bloomberg screens. They may also be obtained at the registered office of the Depositary Bank as well as from the banks ensuring financial services.

B. ISSUE AND REDEMPTION PRICES

The issue and redemption prices of the Shares, category or Class of Shares of each Sub-Fund shall be made public daily at the Depositary Bank and from the banks ensuring financial services.

C. NOTICES TO SHAREHOLDERS

Any other information intended for the Shareholders shall be published in the RESA in Luxembourg, if such publication is prescribed by the applicable Luxembourg law. Information may also be published in Luxembourg newspapers.

2. DOCUMENTS AVAILABLE TO THE PUBLIC

The Management Company will ensure that information intended for the Shareholders is either published or communicated to them in an appropriate manner.

The following documents will be available for inspection during ordinary business hours at the registered office of the Company and/or Management Company:

- Prospectus;
- Articles of Incorporation;
- KIIDs;
- Depositary Bank, domiciliation, administration agent, investment advisor and investment manager agreements; and
- Latest annual and semi-annual reports of the Company.

The Prospectus and the KIID may be delivered in durable medium or by means of a website. A hard copy shall, in any case, be supplied to Investors on request and free of charge. This also includes the publication of the Share prices in those countries in which Shares are offered for sale to the public. The issue and redemption prices can also be obtained from the Management Company and the Depositary Bank. The annual and semi-annual reports as well as the Prospectus, the KIID and the Articles of Incorporation are also available free of charge from these parties, upon request by the Investor. In addition, the material contracts referred to above are available for inspection during normal business hours at the registered office of the Company and/or Management Company.

APPENDIX 1
SUB-FUNDS

The Sub-Funds aim to achieve reasonably high performances whilst maintaining a prudent policy of preserving capital. The Company takes the risks it deems reasonable in order to achieve the objective set. Nevertheless, it cannot guarantee achieving it in view of the stock market fluctuations and other risks to which investments in transferable securities are exposed.

No guarantee can be given on the realisation of the investment objectives of the Sub-Funds and past performance is not an indicator of future performances.

At present the Company may issue the following Classes of Shares (which may be denominated in various currencies, and hedged as the case may be):

i. **Class A distribution Shares**, which receive an annual dividend, and the Net Asset Value of which is reduced by an amount equal to the distribution made.
ii. **Class B capitalisation Shares**, which do not receive a dividend,
iii. **Class B distribution Shares,** which receive an annual dividend, and the Net Asset Value of which is reduced by an amount equal to the distribution made,
iv. **Class R capitalisation Shares**, which are distinct from Class B Shares by a different structure fee as specified in the particulars of the Sub-Funds (Appendix 1),
v. **Class R distribution Shares**, which receive an annual dividend, and the Net Asset Value of which is reduced by an amount equal to the distribution made,
vi. **Class I capitalisation Shares**, which do not receive a dividend. Class I Shares are distinct from Class B Shares by a different structure fee as specified in the particulars of the Sub-Funds (Appendix 1) and are reserved for Institutional Investors, within the meaning of article 174 of the 2010 Law,
vii. **Class I distribution Shares**, which receive an annual dividend, and the Net Asset Value of which is reduced by an amount equal to the distribution made. The Class I Shares are distinct from Class B Shares by a different structure fee as specified in the particulars of the Sub-Funds (Appendix 1) and are reserved for Institutional Investors, within the meaning of article 174 of the 2010 Law,
viii. **Class F capitalisation Shares**, which do not receive a dividend. The Class F Shares are distinct from the other Classes of Shares by the fact that they are reserved for the entities of the group of the Promoter and/or funds managed by management companies of the group of the Promoter and which are Institutional Investors within the meaning of article 174 of the 2010 Law; also they may have different structure fee as specified in the particulars of the Sub-Funds (Appendix 1),
ix. **Class RDR**, which do not receive a dividend. The Class RDR Shares are reserved for the British market,
x. **Class LatAm A distribution Shares**, which receive an annual dividend and the Net Asset Value of which is reduced by an amount equal to the distribution made and which are reserved for Institutional Investors, within the meaning of article 174 of the 2010 Law. The Class LatAm A Shares are reserved for the South American market and are denominated in USD. They bear no expenses resulting from European distribution,
xi. **Class LatAm C capitalisation Shares**, which do not receive a dividend. The Shares of the **Class LatAm C capitalisation are reserved for Institutional Investors, within the meaning of** article 174 of the 2010 Law. The Class LatAm C Shares are reserved for the South American market and are denominated in USD. They bear no expenses resulting from European distribution,
xii. **Class D distribution Shares,** which receive an annual dividend, and the Net Asset Value of which is reduced by an amount equal to the distribution made,

xiii. **Class T capitalisation Shares**, which do not receive a dividend. The Shares of Class T are distinct by a different fee structure as specified in the particulars of the Sub-Funds (Appendix 1). The Shares of Class T are reserved for any kind of subscriber and independent financial advisers on international scale more precisely,

xiv. **Class T distribution Shares,** which receive an annual dividend, and the Net Asset Value of which is reduced by an amount equal to the distribution made. The Shares of Class T are reserved for any kind of subscriber and independent financial advisers on international scale more precisely,

xv. **Class J capitalisation Shares**, which do not receive a dividend. The Shares of Class J are distinct by a different fee structure as specified in the particulars of the Sub-Funds (Appendix 1). The Shares of Class J are reserved for Institutional Investors in the Japanese market, within the meaning of article 174 of the 2010 Law,

xvi. **Class J distribution Shares**, which receive an annual dividend, and the Net Asset Value of which is reduced by an amount equal to the distribution made. The Shares of Class J are distinct by a different fee structure as specified in the particulars of the Sub-Funds (Appendix 1). The Shares of Class J are reserved for Institutional Investors in the Japanese market, within the meaning of article 174 of the 2010 Law, and

xvii. **Class Partage - Green Cross capitalisation Shares**, which do not receive a dividend. The Shares of Class Partage – Green Cross are Share Classes for the benefit of the Green Cross NGO. The Shares of Class Partage – Green Cross are dedicated to the partners of Green Cross, an international NGO founded in 1993 that works to address the inter-connected global challenges of security, poverty eradication and environmental degradation through a combination of high level advocacy and local projects.

xviii. **Class S capitalisation Shares**, which do not receive a dividend. Class S Shares are distinct from Class I Shares by a different structure fee as specified in the particulars of the Sub-Funds (Appendix 1) and are reserved for large Institutional Investors which invest a minimum initial subscription amount of 1,000,000 EUR/USD/CHF or such other amount as indicated in the particulars of the relevant Sub-Fund.

xix. **Class S distribution Shares**, which receive an annual dividend, and the Net Asset Value of which is reduced by an amount equal to the distribution made. The Class S Shares are distinct from Class I Shares by a different structure fee as specified in the particulars of the Sub-Funds (Appendix 1) and are reserved for large Institutional Investors which invest a minimum initial subscription amount of 1,000,000 EUR/USD/CHF or such other amount as indicated in the particulars of the relevant Sub-Fund.

xx. **Class X capitalisation Shares,** which do not receive a dividend. The Class X Shares are distinct from Class I Shares by a different fee structure as specified in the particulars of the Sub-Funds (Appendix 1) and are reserved to discretionary management mandates and dedicated funds managed by La Française Group. The Class X is reserved to Institutional Investors which have been approved by the Board of Directors.

The particulars of the Sub-Funds in Appendix 1 may specify a minimum initial subscription amount. The Board of Directors reserves the right to waive this amount in the interest of the equal treatment of Shareholders.

OVERVIEW OF THE SUB-FUND

Investment Manager:	LA FRANCAISE ASSET MANAGEMENT, Paris
ISIN code	LU0255990045 Class B Capitalisation LU0814517024 Class R Capitalisation LU0933497413 Class I Capitalisation
Listed on Luxembourg stock exchange	NO

INVESTMENT POLICY

Objectives of the Sub-Fund

The objective of the Sub-Fund is to achieve long-term capital growth.

Investment policy

The Sub-Fund will mainly invest in equities and/or bonds. Investments will be made directly or indirectly via UCITS and/or other UCIs.

The Sub-Fund uses an active management approach (stock picking), selecting from a universe of listed stocks mainly issued in European, American and emerging countries, while keeping equity-risk exposure at a maximum level of 50% of total net assets. Depending on the manager's outlook on equity markets and with the aim of protecting performance, the Sub-Fund may also use equity financial instruments correlated to all or part of the portfolio (bear trackers, hedging options, futures on major indices, etc.) which shall not exceed 100% of net assets. Each derivative instrument corresponds to a particular hedging or exposure strategy which aims to:

- Ensure overall hedging of the portfolio or certain asset classes held in the portfolio against risks related to equity markets, interest rates or exchange rates;
- Reconstitute particular assets in a synthetic manner;
- Modify exposure to exchange and/or interest rate risk in view of achieving the management objective.

With the aim of investing its capital and subject to investment restrictions, the Sub-Fund may also invest in monetary UCIs or UCIs invested in debt securities.

Investments in UCITS and/or other UCIs shall not exceed 60% of the net assets.

Geographic and sector allocation is not subject to restrictions and may lead to a large exposure to one or more geographic areas, countries or sectors. The Sub-Fund is not linked to any benchmark. Its only reference criterion is to deliver absolute performance.

Use of derivatives

The Sub-Fund may, within the limits laid down in the Prospectus, use techniques and instruments of financial futures markets for the purposes of proper portfolio management or hedging, given that these techniques and instruments will only be used to the extent that they do not negatively affect the integrity of the Sub-Fund's investment policy.

Reference currency

EUR

Risk profile

The Net Asset Value of the Sub-Fund will depend on the market value of the securities in the portfolio. The value of the equities depends on the positive growth outlook and the market valuations of the equities in the portfolio. The value of bonds will depend on the fluctuations in interest rates and the perception of risk by the financial markets.

Portfolio risk arises both from the risks inherent in bond investments and from the risks of equity investments. The risk of an equity investment is much higher than that of a bond investment.

Although the objective of the Sub-Fund is to diversify the portfolio to reduce risk, potential investors should be aware of the underlying risks associated with investing in emerging markets.

Many emerging markets companies in which the Sub-Fund intends to invest tend to be exposed to political instability and/or economic changes. Risks such as fluctuations in exchange rates, exchange controls and tax regulations can affect the expected yield of the Sub-Fund and the value of its investments and thus restrict the repatriation of capital income. In the latter case, the procedure for redemption of securities could be delayed.

In addition, investors should be aware that equities listed on exchanges in emerging markets may be more volatile and less liquid than in more developed countries.

Emerging country companies from emerging countries are not always subject to standards of accounting and control, financial standards, regulations and government controls that are comparable to those applied in more developed countries. Shareholders should be aware of the higher volatility of warrants.

Risk management method

Commitment approach.

Investor profile

Investment horizon: > 5 years

The Sub-Fund's investment policy is suitable for investors seeking long-term capital gains and who are prepared to accept large fluctuations linked to the financial markets with the risk of loss which may be significant when markets experience prolonged periods of downturn. Given that the investment policy consists of investing in promising stocks with solid fundamentals, the correlation with the trends in large stock indices will not be absolute and the performance may diverge from the indices.

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees	Class B: Maximum of 3% of the NAV applicable per Share. Class R: Maximum of 3% of the NAV applicable per Share. Class I: Maximum of 3% of the NAV applicable per Share.
Redemption fee	0%
Conversion fee	0%

COSTS PAYABLE BY THE SUB-FUND

Management fee	Class B: Maximum 1.25% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class R: Maximum 2% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class I: Maximum 0.60% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Management fee of the targeted funds: when the Sub-Fund invests in shares or units of other investment funds, the management fee paid by these other investment funds amounts to a maximum of 1.80% p.a. calculated on their respective average net assets.
Operating costs, including the Management Company fee	Up to 0.50% p.a. calculated daily and based on the net assets of the Sub-Fund, with a minimum of EUR 50,000 p.a. The payment is due in the month following the end of each quarter.
Other costs and fees	In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of the Sub-Fund	In Luxembourg the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is: - 0.05% for Shares of Class B and R, and

- 0.01% for Shares of Class I per annum (exemption of net assets invested in UCIs already subject to the subscription tax)

Taxation of Shareholders	For further information please refer to Section IX in the main part of the Prospectus.

SALE OF SHARES

Subscription, redemption and conversion	Subscription, redemption and conversion orders received in Luxembourg before 11 a.m. on a Business Day in Luxembourg prior to a Valuation Day will be treated on the basis of the Net Asset Value of the Valuation Day after applying the fees provided for in the Prospectus. Subscriptions and redemptions must be paid up no later than two Business Days following the applicable Valuation Day.
Share type/Class	The Shares are capitalisation Shares (Classes B, R and I). No minimum initial subscription amount is applicable for the Class R of Shares. A minimum initial subscription amount is applicable for the following Shares: Class B: EUR 1,000,000 Class I: EUR 50,000 Shares are issued in dematerialised registered and bearer form. Shares must be fully paid up and are issued with no par value.
Valuation Day	Every Business Day in Luxembourg.
Publication of the NAV	The Net Asset Value can be consulted at the registered office of the Company.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tél: +352 2696 2030 Fax: +352 2696 9747 Contact: BP2S TA Call Centre
Request for documentation	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tél: +352 2696 2030 Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

OVERVIEW OF THE SUB-FUND

Investment Manager	LA FRANÇAISE INFLECTION POINT, Paris
ISIN code	LU0414216498 (Class B Capitalisation) LU0414216654 (Class I Capitalisation) LU0840091218 (Class F Capitalisation) LU1252381493 (Class I Distribution)
Listed on Luxembourg stock exchange	NO

INVESTMENT POLICY

Objectives of the Sub-Fund

The aim of the Sub-Fund is to outperform the STOXX EUROPE 600 Index (SXXR) (total return) denominated in euros over the recommended investment period.

Investment policy

The Sub-Fund will invest a minimum of 75% in the European Union, Norwegian and Icelandic equities. The remaining 25% may be invested in international equities including emerging markets.

The Sub-Fund will invest in shares of companies having its registered office in the European Union or in a European country (in the geographical sense) member of the OECD, which derives their growth from international exposure.

Equities are selected using a bottom-up approach, according to a proprietary financial scoring model and an extra-financial approach, to include the use of ESG indicators.

Following such initial analysis, the Investment Manager constructs the Sub-Fund's portfolio, focusing on the best scored assets and in accordance with collectively established guidelines generated throughout the investment process.

This method enables the Investment Manager to understand all aspects of the overall strategy of the listed companies. The criteria used in the scoring of assets cross-cut both market and activity sectors and, as such, allows for a more pertinent analysis of the relative positioning and dynamics of the selected companies, both strategically and in the long-term.

For the purposes of asset scoring, the Investment Manager relies on quantitative and qualitative research and on analysis stemming from a strategic partnership within the Group La Française.

The Sub-Fund may invest in securities denominated in currencies other than the euro.

Eurozone country investors are exposed to exchange-rate risks.

The Sub-Fund may invest up to 25% of its net assets in negotiable debt securities (deposit certificates, treasury notes, notes from specialised financial institutions, negotiable treasury bills, medium term negotiable bonds (BMTN), bond products, money market certificates and/or instruments in order to diversify risks. Issuers of interest rate instruments are either persons governed by private law or public bodies domiciled in any of the Member States of the European Union, without geographical or sectoral predominance.

The Sub-Fund can also invest up to 10% of its net assets in shares or units of UCITS and/or other UCIs.

The Sub-Fund may hold liquid assets on an ancillary basis. The Sub-Fund may, with the aim of investing its liquid assets, invest in monetary UCIs or UCIs invested in:

1) Debt securities whose final or residual maturity term, taking into account the financial instruments associated therewith, does not exceed 12 months, or

2) Debt securities for which the rate is adapted, taking into account the financial instruments associated therewith, at least once a year.

Use of derivatives

The Sub-Fund may, within the limits laid down in the Prospectus, use techniques and instruments of financial futures markets (listed, non-listed, equities, interest rates, commodities, credit, closed or optional, etc.) for the purposes of efficient portfolio management and/or hedging, given that these techniques and instruments will only be used to the extent that they do not negatively affect the integrity of the Sub-Fund's investment policy.

The use of derivatives is limited to 100% of the Sub-Fund's net asset.

Reference currency

EUR

Risk profile

The Net Asset Value of the Sub-Fund will depend on the market value of the stocks in the portfolio.

The value of the equities depends on the positive growth outlook and the market valuations of the equities in the portfolio.

- As the Sub-Fund's capital is not guaranteed, the subscriber may lose all or part of his initial investment.
- The Sub-Fund may be exposed to small and mid caps. The trading volume on these stocks is lower and therefore upward and downward market movements may be more pronounced.
- In the context of its investments, the Sub-Fund may be exposed to risk due to the fall of the investment

currencies compared with the portfolio's reference currency, the euro.

- The Sub-Fund might be exposed to credit risk.
- Model risk. The Sub-Fund's investment process relies on the development of a proprietary financial and extra-financial scoring model, using indicators to include certain ESG indicators, through a strategic partnership within the Group La Française.

The model may not always perform as expected. The performance of the Sub-Fund may therefore be inferior to that of its investment objective and returns on investments may be negative.

Risk management method

Commitment approach.

Investor profile

Investment horizon: > 5 years

The Sub-Fund's investment policy is suitable for investors seeking long-term capital gains and who are prepared to accept large fluctuations linked to the financial markets with the risk of loss which may be significant when markets experience prolonged periods of downturn. Given that the investment policy consists of investing in promising stocks with solid fundamentals, the correlation with the trends in large stock indices will not be absolute and the performance may diverge from the indices.

The reasonable amount to invest in this Sub-Fund depends on your personal financial situation. To determine this, you should take into account your personal assets and current requirements, and also your willingness to take risks or your wish to favour a prudent investment. You are also strongly advised to diversify your investments so as not to expose them solely to the risks of this Sub-Fund.

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees

Class B capitalisation Shares and Class I distribution Shares: Maximum of 3% of the NAV applicable per Share.

Class I and F capitalisation Shares: 0%

Redemption fee

0%

Conversion fee

0%

COSTS PAYABLE BY THE SUB-FUND

Management fee

Class B: Maximum 2% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.

Class I: Maximum 1% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.

Class F: None

Performance fee

The performance fee shall represent 20% maximum of the difference between the Sub-Fund's performance and the STOXX EUROPE 600 Index (SXXR) denominated in euros (total return). The total amount of the outperformance fee is set at an upper limit of 2.50% of the average net asset of the Sub-Fund during the reference period.

The performance is calculated by comparing the evolution of the assets of the Sub-Fund to the assets of a reference fund with a performance identical to that of the STOXX EUROPE 600 Index (SXXR) denominated in euros (total return) and registering the same variations in subscriptions and redemptions as the real Sub-Fund.

A provision or, the recovery of the provision in the event of underperformance, is accounted for in each NAV calculation. The proportion of variable fees corresponding to redemptions is paid to the manager.

The performance fees are calculated based on the last NAV in December. The performance fee is payable annually in the month following the end of the year. The first reference period will end on the last NAV in December 2013.

If, over a given reference period, the evolution of the Sub-Fund's assets is lower than that of the reference fund (see above), the reference period shall be extended by the duration of the new financial year.

No performance fees will be applicable to Class F.

Operating costs, including the Management Company fee

Up to 0.50% p.a. calculated daily and based on the net assets of the Sub-Fund, with a minimum of EUR 50,000 p.a. The payment is due in the month following the end of each quarter.

Other costs and fees

In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of the Sub-Fund

In Luxembourg the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is:

- 0.05% for Shares of Class B; and
- 0.01% for Shares of Class I and F per annum (exemption of net assets invested in Luxembourg UCIs already subject to the subscription tax)

Taxation of Shareholders	For further information please refer to Section IX in the main part of the Prospectus.

SALE OF SHARES

Subscription, redemption and conversion	Subscription, redemption and conversion orders received in Luxembourg before 11 a.m. on a Valuation Day will be treated on the basis of the Net Asset Value of the Valuation Day after applying the fees provided for in the Prospectus. Subscriptions and redemptions must be paid up no later than two Business Days following the applicable Valuation Day. Minimum initial subscription amount for Class B EUR Capitalisation: None Minimum initial subscription amount for Class F EUR Capitalisation: None. Minimum initial subscription amount for Class I EUR Capitalisation: EUR 100,000 Minimum initial subscription amount for Class I EUR Distribution Shares: EUR 100,000.
Share type/Class	The B EUR - Capitalisation Shares are capitalisation Shares. The I EUR - Capitalisation Shares are capitalisation Shares. The F EUR - Capitalisation Shares are capitalisation Shares. The I EUR - Distribution Shares are distribution Shares. Shares are issued in dematerialised registered and bearer form. Shares must be fully paid up and are issued with no par value.
Valuation Day	Every Business Day in Luxembourg.
Publication of the NAV	The Net Asset Value can be consulted at the registered office of the Company.
Initial subscription price	Class B EUR Capitalisation: EUR 100 Class F EUR Capitalisation: EUR 100 Class I EUR Capitalisation: EUR 10,000 Class I EUR Distribution: EUR 1,000

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg -Tél: +352 2696 2030 Fax: +352 2696 9747 Contact: BP2S TA Call Centre
Request for documentation	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tél: +352 2696 2030 Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

OVERVIEW OF THE SUB-FUND

Investment Manager	LA FRANÇAISE INFLECTION POINT, Paris
ISIN code	LU0414217892 (Class B Capitalisation) LU0414218197 (Class I Capitalisation) LU1252381220 (Class I Distribution) LU1271712975 (Class B Distribution)
Listed on Luxembourg stock exchange	NO

INVESTMENT POLICY

Objectives of the Sub-Fund

The objective of this Sub-Fund is to take advantage of the growth potential of emerging markets companies, an increasing number of which have attained international status.

The objective is to outperform, in the long term, the MSCI Emerging Markets Daily Net Total Return index denominated in euros (net dividends reinvested).

Investment policy

The Sub-Fund mainly invests (between 80% and 100% of its net assets) in a selection of emerging market equities which have reached a critical size in terms of turnover and market capitalisation. These companies have attained leading positions on the international stage. With a view to achieving better liquidity, the Sub-Fund reserves the right to invest in Emerging Market ADRs (American Depositary Receipts) or GDRs (Global Depositary Receipts).

Equities are selected using a bottom-up approach, according to a proprietary financial scoring model and an extra-financial approach, to include the use of ESG indicators.

Following such initial analysis, the Investment Manager constructs the Sub-Fund's portfolio, focusing on the best scored assets and in accordance with collectively established guidelines generated throughout the investment process.

This method enables the Investment Manager to understand all aspects of the overall strategy of the listed companies. The criteria used in the scoring of assets cross-cut both market and activity sectors and, as such, allows for a more pertinent analysis of the relative positioning and dynamics of the selected companies, both strategically and in the long-term.

For the purposes of asset scoring, the Investment Manager relies on quantitative and qualitative research and on analysis stemming from a strategic partnership within the Group La Française. The Sub-Fund may invest up to 20% of its net assets in negotiable debt securities (deposit certificates, treasury notes,

notes from specialised financial institutions, negotiable treasury bills, medium term negotiable bonds (BMTN), bond products,

money market certificates and/or instruments in order to diversify risks. Issuers of interest rate instruments are either persons governed by private law or public bodies domiciled in any of the Member States of the European Union, without geographical or sectoral predominance.

The Sub-Fund can also invest up to 10% of its net assets in shares or units of UCITS and/or other UCIs.

The Sub-Fund may hold ancillary liquid assets. The Sub-Fund may, with the aim of investing its liquid assets, invest in monetary UCIs or UCIs invested in:

1) Debt securities whose final or residual maturity term, taking into account the financial instruments associated therewith, does not exceed 12 months, or

2) Debt securities for which the rate is adapted, taking into account the financial instruments associated therewith, at least once a year.

Use of derivatives

The Sub-Fund may, within the limits laid down in the Prospectus, use the techniques and instruments of financial markets (listed, non-listed, shares, interest rates, commodities, credit, closed or optional, etc.) for the purposes of proper portfolio management or hedging, given that these techniques and instruments will only be used to the extent that they do not negatively affect the integrity of the Sub-Fund's investment policy.

Reference currency

EUR

Risk profile

The Net Asset Value of the Sub-Fund will depend on the market value of the stocks in the portfolio.

The value of the equities depends on the positive growth outlook and the market valuations of the equities in the portfolio.

Model risk. The Sub-Fund's investment process relies on the development of a proprietary financial and extra-financial scoring model, using indicators to include certain ESG indicators, through a strategic partnership within the Group La Française.

The model may not always perform as expected. The performance of the Sub-Fund may therefore be inferior to that of its investment objective and returns on investments may be negative.

Risk management method

Commitment approach.

Investor profile	Investment horizon: > 5 years The Sub-Fund's investment policy is suitable for investors seeking long-term capital gains and who are prepared to accept large fluctuations linked to the financial markets with the risk of loss which may be significant when markets experience prolonged periods of downturn. Given that the investment policy consists of investing in promising stocks with solid fundamentals, the correlation with the trends in large stock indices will not be absolute and the performance may diverge from the indices.

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees	Class B (Capitalisation and Distribution): Maximum of 3% of the NAV applicable per Share. Class I (Capitalisation and Distribution): Maximum of 3% of the NAV applicable per Share.
Redemption fee	0%
Conversion fee	0%

COSTS PAYABLE BY THE SUB-FUND

Management fee	Class B (Capitalisation and Distribution): Maximum 2% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class I: Maximum 1.25% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.
Performance fee	The performance fee shall represent 25% maximum of the difference between the Sub-Fund's performance and the MSCI Emerging Markets Daily Net TR index denominated in euros. The total amount of the outperformance fee is set at an upper limit of 2.5% of the average net asset of the Sub-Fund during the reference period. The performance is calculated by comparing the evolution of the assets of the Sub-Fund to the assets of a reference fund with a performance identical to that of the MSCI Emerging Markets Daily Net TR index denominated in euros and registering the same variations in subscriptions and redemptions as the real Sub-Fund. A provision or, the recovery of the provision in the event of underperformance is accounted for in each NAV calculation. The proportion of variable fees corresponding to redemptions is paid to the manager.

	The performance fees are calculated based on the last NAV in December. The performance fee is payable annually in the month following the end of the year. If, over a given reference period, the evolution of the Sub-Fund's assets is lower than that of the reference fund (see above), the reference period shall be extended by the duration of the new financial year.
Operating costs, including the Management Company fee	Up to 0.50% p.a. calculated daily and based on the net assets of the Sub-Fund, with a minimum of EUR 50,000 p.a. The payment is due in the month following the end of each quarter.
Other costs and fees	In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of the Sub-Fund	In Luxembourg the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is: - 0.05% for Shares of Class B; and - 0.01% for Shares of Class I per annum (exemption of net assets invested in Luxembourg UCIs already subject to the subscription tax)
Taxation of Shareholders	For further information please refer to Section IX in the main part of the Prospectus.

SALE OF SHARES

Subscription, redemption and conversion	Subscription, redemption and conversion orders received in Luxembourg before 11 a.m. on a Business Day in Luxembourg prior to a Valuation Day will be treated on the basis of the Net Asset Value of the Valuation Day after applying the fees provided for in the Prospectus. Subscriptions and redemptions must be paid up no later than two Business Days following the applicable Valuation Day. Minimum initial subscription amount for Class B Capitalisation Shares: None Minimum initial subscription amount for Class I Capitalisation Shares: EUR 100,000 Minimum initial subscription amount for Class I Distribution Shares: EUR 100,000
Share type/Class	Class B Capitalisation Shares and Class I Capitalisation Shares are capitalisation Shares.

	Class I Distribution Shares and Class B Distribution Shares are distribution Shares. Shares are issued in dematerialised registered and bearer form. Shares must be fully paid up and are issued with no par value.
Valuation Day	Every Business Day in Luxembourg.
Publication of the NAV	The Net Asset Value can be consulted at the registered office of the Company.
Initial subscription price	LU0414217892 (Class B Capitalisation): EUR 100 LU0414218197 (Class I Capitalisation): EUR 10,000 LU125238122 (Class I Distribution): EUR 1,000 LU1271712975 (Class B Distribution): EUR 100

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tél: +352 2696 2030 Fax: +352 2696 9747 Contact: BP2S TA Call Centre
Request for documentation	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tél: +352 2696 2030 Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

OVERVIEW OF THE SUB-FUND

Investment Manager	LA FRANÇAISE INFLECTION POINT, Paris
ISIN code	LU1114269290 Class F EUR – Capitalisation LU1338158485 Class I EUR - Capitalisation LU1114269373 Class I USD - Capitalisation LU1114269456 Class R EUR - Capitalisation LU1114269530 Class R USD - Capitalisation LU1114269613 Class T EUR - Capitalisation LU1114269704 Class T USD - Capitalisation LU1252381147 Class I EUR - Distribution LU1271712892 Class R EUR - Distribution
Listed on Luxembourg stock exchange	NO

INVESTMENT POLICY

Objectives of the Sub-Fund

The objective of this Sub-Fund is to take advantage of the growth potential of the international equity market including emerging market countries.

The objective is to outperform, in the long term (5 years), the MSCI World Index denominated in EUR (for the Euro Classes of Shares) or USD (for the US dollars Classes of Shares) (net dividends reinvested).

Investment policy

The Sub-Fund will invest in international equities including emerging markets of all market capitalizations without geographical or sectoral predominance.

The Sub-Fund may invest in listed equities or equivalent securities and/or subscription and allocation rights conferred by these equities. The portfolio manager can invest in ADR (American Depositary Receipts) or GDR (Global Depositary Receipts) in order to ensure liquidity.

The overall exposure of the portfolio to equities including derivatives may represent at least 90% and limited to 120% of the Sub-Fund’s net assets.

Equities are selected using a bottom-up approach, according to a proprietary financial scoring model and an extra-financial approach, to include the use of ESG indicators. This method enables the Investment Manager to understand all aspects of the overall strategy of the listed companies. The criteria used in the scoring of assets cross-cut both market and activity sectors and, as such, allows for a more pertinent analysis of the relative positioning and dynamics of the selected companies, both strategically and in the long-term.

For the purposes of asset scoring, the Investment Manager relies on quantitative and qualitative research and on analysis stemming from a strategic partnership within the Group La Française.

Following such initial analysis, the Investment Manager constructs the Sub-Fund’s portfolio, focusing on:

(i) the best scored assets and in accordance with collectively established guidelines generated throughout the investment process, and
(ii) an active management of a rather concentrated portfolio with a strict control of the risk profile including a systematic correlation/diversification risk analysis in order to reduce the overall risk of the portfolio.

The Investment Manager may substantially deviate from the benchmark, the MSCI World Index.
The Sub-Fund will invest in equities of all market capitalizations: small and mid cap equities can be incorporated into the portfolio without limits.
The Sub-Fund may invest in securities denominated in currencies other than the euro. Up to 100% of the net assets of the Sub-Fund may be exposed to foreign exchange risk.
The Sub-Fund can also invest up to 10% of its net assets in shares or units of UCITS and/or other UCIs.
The Sub-Fund may hold ancillary liquid assets. The Sub-Fund may, with the aim of investing its liquid assets:

- invest up to 10% of its net assets in fixed income products (negotiable debt securities) issued by public or private sector entities having a rating of at least BBB- by Standard & Poor's or at least Baa3 by Moody’s in all geographical areas.

- borrow up to 10% of its nets assets and enter into temporary purchase transactions.

Use of derivatives

The Sub-Fund will preferably use derivative instruments traded on regulated markets but reserves the right to enter into OTC contracts where these contracts are better suited to the investment objective or offer lower trading costs.

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

In this context, the Sub-Fund may hedge and/or expose the portfolio via derivatives instruments such as futures, options, equity swaps, currency swaps, foreign exchange forwards, non-deliverable forwards in order to adjust the exposure of the portfolio or during specific variations periods.

Reference currency

EUR

Risk profile

The Net Asset Value of the Sub-Fund will depend on the market value of the stocks in the portfolio.

The value of the equities depends on the positive growth outlook and the market valuations of the equities in the portfolio.

- As the Sub-Fund's capital is not guaranteed, the subscriber may lose all or part of his initial investment.
- The risk linked to exposure to equity markets may lead to a fall in the Sub-Fund’s Net Asset Value.
- The Sub-Fund may be exposed to small caps. The trading volume on these stocks is lower and therefore upward and downward market movements may be more pronounced.
- The discretionary management style applied to the Sub-Fund is based on the selection of securities and on expectations regarding the markets of the Sub-Fund's assets. There is a risk that the Sub-Fund may not be invested at all times in the best-performing securities. The Sub-Fund's performance may therefore be lower than the management objective. In addition, the Net Asset Value of the Sub-Fund may have a negative performance.
- The Sub-Fund may invest in securities denominated in a number of different currencies other than the base currency in which the Sub-Fund is denominated. Changes in foreign currency exchange rates may adversely affect the value of the Sub-Fund’s investments.
- Risk arising from investing in non-OECD countries (emerging countries): the Sub-Fund may be exposed in non-OECD countries. Market risk is amplified by any investment in non-OECD countries where upward and downward market movements may be stronger and more sudden than on major international markets.
- The Sub-Fund may enter into financial derivative transactions and into repurchase transactions and other contracts that entail a credit exposure to certain counterparties. To the extent that counterparty defaults on its obligation, the Sub-Fund may experience a decline in the value of its portfolio.
- Model risk: the Sub-Fund’s investment process relies on the development of a proprietary financial and extra-financial scoring model, using indicators to include the use of ESG indicators, through a strategic partnership within the Group La Française.

The model may not always perform as expected. The performance of the Sub-Fund may therefore be inferior to that of its investment objective and returns on investments may be negative.

Risk management method

Commitment approach.

Investor profile	Investment horizon: > 5 years The Sub-Fund's investment policy is suitable for investors seeking long-term capital gains and who are prepared to accept large fluctuations linked to the financial markets with the risk of loss which may be significant when markets experience prolonged periods of downturn. Given that the investment policy consists of investing in promising stocks with solid fundamentals, the correlation with the trends in large stock indices will not be absolute and the performance may diverge from the indices.

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees	Class I: Maximum of 3% of the NAV applicable per Share. Class R: Maximum of 3% of the NAV applicable per Share. Class T: Maximum of 3% of the NAV applicable per Share. Class F: 0%
Redemption fee	0%
Conversion fee	0%

COSTS PAYABLE BY THE SUB-FUND

Management fee	Class I and F: Maximum 1% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class R: Maximum 2% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class T: Maximum 1.20% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.
Performance fee	The performance fee shall represent 20% maximum of the difference between the Sub-Fund's performance and the MSCI World Index denominated in the currency of the referred Class of Shares. The total amount of the outperformance fee is set at an upper limit of 2.5% of the average net asset of the Sub-Fund during the reference period. The performance is calculated by comparing the evolution of the assets of the Sub-Fund to the assets of a reference fund with a performance identical to that of the MSCI World index denominated in euros and registering the same variations in subscriptions and redemptions as the Sub-Fund. A provision or, the recovery of the provision in the event of underperformance, is accounted for in each NAV calculation. The proportion of variable fees corresponding to redemptions is paid to the manager.

The performance fees are calculated based on the last NAV in December of each year. The performance fee is payable annually in the month following the end of the year.

If, over a given reference period, the evolution of the Sub-Fund's assets is lower than that of the reference fund (see above), the reference period shall be extended by the duration of the new financial year.

Operating costs, including the Management Company fee

Up to 0.30% p.a. calculated daily and based on the net assets of the Sub-Fund with a minimum of EUR 30,000 p.a. The payment is due in the month following the end of each quarter.

Other costs and fees

In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of the Company

In Luxembourg the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is:

- 0.05% for Shares of Class R and T; and
- 0.01% for Shares of Class I and F per annum (exemption of net assets invested in Luxembourg UCIs already subject to the subscription tax)

Taxation of Shareholders

For further information please refer to Section IX in the main part of the Prospectus.

SALE OF SHARES

Subscription, redemption and conversion

Subscription, redemption and conversion orders received in Luxembourg before 11 a.m. on a Valuation Day will be treated on the basis of the Net Asset Value of the relevant Valuation Day after applying the fees provided for in the Prospectus. Subscriptions and redemptions must be paid up no later than two Business Days following the applicable Valuation Day.

Share type/Class

Class F EUR - Capitalisation Shares, Class I EUR - Capitalisation Shares, Class I USD - Capitalisation Shares, Class R EUR - Capitalization Shares, Class R USD – Capitalisation Shares, Class T EUR – Capitalisation Shares, and Class T USD - Capitalisation Shares are capitalisation Shares.
Class I EUR - Distribution Shares and Class R EUR - Distribution Shares are distribution Shares.

Shares are issued in dematerialised registered form.

No minimum initial subscription amount is applicable for the F, R and T Classes of Shares.

	A minimum initial subscription amount is applicable for the following Classes of Shares: Class I EUR – Capitalisation: EUR 100,000 Class I USD – Capitalisation: USD 100,000 Class I EUR - Distribution: EUR 100,000 Shares must be fully paid up and are issued with no par value.
Valuation Day	Every Business Day in Luxembourg.
Publication of the NAV	The Net Asset Value can be consulted at the registered office of the Company.
Initial subscription period	15 December 2014 or on the date on which the first subscription is received in the Sub-Fund.
Initial subscription Price	Class F EUR – Capitalisation: EUR 1,000 Class I EUR – Capitalisation: EUR 1,000 Class I USD – Capitalisation: USD 1,000 Class R EUR – Capitalisation: EUR 100 Class R USD – Capitalisation: EUR 100 Class T EUR – Capitalisation: EUR 100 Class T USD – Capitalisation: USD 100 Class I EUR - Distribution: EUR 1,000 Class R EUR - Distribution: EUR 100

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tél: +352 2696 2030 Fax: +352 2696 9747 Contact: BP2S TA Call Centre
Request for documentation	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tél: +352 2696 2030 Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

OVERVIEW OF THE SUB-FUND

Investment Manager	LA FRANCAISE ASSET MANAGEMENT, Paris
ISIN code	LU0970531629 (Class B Capitalisation) LU0970531975 (Class I Capitalisation) LU0970532197 (Class F Capitalisation)
Listed on Luxembourg stock exchange	NO

INVESTMENT POLICY

Objectives of the Sub-Fund

The objective of the Sub-Fund is to achieve a performance, over the recommended investment period of over three years, net of fees, exceeding the Barclays Capital Euro Government Inflation-Linked Bond Index (BEIG1T Index).

Strategy of the Sub-Fund

The Sub-Fund uses various types of strategies:

(i) principal strategies:

- A directional strategy aiming to optimise the performance of the portfolio based on interest rate and inflation expectations, founded on the use of fixed-rate bonds and inflation-linked bonds;
- An interest rate curve strategy aiming to exploit the variations of the spreads between long-term rates and short-term rates;
- An arbitrage strategy between fixed-rate bonds and inflation-linked bonds to take advantage of the variations of the differential between the nominal rates and the real rates according to the anticipated growth and inflation outlook.

(ii) secondary strategies:

- An international diversification strategy the aim of which is to take advantage of the opportunities offered by the OECD bond markets with an exposure to interest rates and inflation in these countries but without foreign exchange risk (systematic hedging);

- A credit diversification strategy founded on the use of bonds issued by the private sector.

The aim of the Sub-Fund is to seek to out-perform the Barclays Capital Euro Government Inflation-Linked index with a capacity to resist pressures in the interest rate markets.

Investment policy

The Sub-Fund will invest in floating-rate and/or nominal bonds and/or inflation-linked debt instruments with the following characteristics, expressed as a proportion of the net assets of the Sub-Fund:

- Eurozone issuers: up to 100%
- OECD issuers outside the Eurozone: up to 10%
- Public and semi-public sector: up to 100%
- Private sector: up to 50%

The Sub-Fund will mainly invest in securities issued or guaranteed by Eurozone Member States.

The portfolio will be solely invested in investment grade issuers i.e. having a rating of at least BBB- by Standard & Poor's or at least Baa3 by Moody’s or be considered equivalent by the Investment Manager using similar credit criteria at the time of purchase. When the issuer is not rated, the rating condition shall be fulfilled by the issue. If an investment grade bond is downgraded to sub-investment grade, the relevant asset will not be sold unless, in the opinion of the Investment Manager, it is in the interest of Shareholders to do so. Such sub-investment grade assets may not exceed a total of 10% of the Sub-Fund’s assets.

The Sub-Fund can also invest in negotiable debt securities, fixed-rate bonds, treasury bills, commercial papers, certificates of deposit and money market instruments. The Sub-Fund may not invest in Mortgage or Asset-Backed Securities.

The Sub-Fund may invest in Credit Notes in accordance with article 41.1 of the 2010 Law.

The Sub-Fund may invest up to 10% of its net assets in securities denominated in currencies other than the euro. This portion of assets will systematically be hedged against the foreign exchange risk. However, there may be a residual foreign exchange risk due to imperfect hedging.

The Sub-Fund may not be exposed to the stock market.

The Sub-Fund can also invest up to 10% of its net assets in shares or units of UCITS and/or other UCIs.
The Sub-Fund may hold liquid assets on an ancillary basis. The Sub-Fund may, with the aim of investing its liquid assets, invest in monetary UCIs or UCIs invested in:

1) Debt securities whose final or residual maturity term, taking into account the financial instruments associated therewith, does not exceed 12 months, or

2) Debt securities for which the rate is adapted, taking into account the financial instruments associated therewith, at least once a year.

Sensitivity range

Between 0 and 10

Efficient portfolio management techniques

The Sub-Fund may enter into temporary repurchase transactions and reverse repurchase transactions (also known as "repos") in order to:

(i) ensure the investment of the cash available (reverse repo),
(ii) optimise the performance of the portfolio (securities lending),
(iii) establish an arbitrage position designed to profit from a widening rate spread.

Use of derivatives

The Sub-Fund may, within the limits laid down in the Prospectus, invest in derivatives traded on regulated or OTC markets when these contracts are better suited to the management objective or offer lower trading costs. These instruments may include, but are not restricted to: futures, options, swaps, caps and floors.

Each derivative instrument addresses a specific hedging, arbitrage, relative value or exposure strategy to:

(i) hedge the entire portfolio or certain classes of assets held within it against interest and/or inflation and/or foreign exchange-rate risks,
(ii) (synthetically rebuild specific assets (e.g. purchase of an inflation-linked bond against a fixed-rate bond), or
(iii) (iii) increase the Sub-Fund's exposure to interest-rate risks on the market.

Reference currency

EUR

Risk profile

Risk of capital loss: as the Sub-Fund's capital is not guaranteed, the subscriber may lose all or part of his initial investment.

Interest-rate risk: the Sub-Fund is subject to interest-rate risk. The interest-rate risk is the risk that the value of the Sub-Fund's investment may decrease if interest rates rise. Thus, when interest rates rise, the Net Asset Value of the Sub-Fund may fall.

Discretionary risk: the discretionary management style applied to the Sub-Fund is based on the selection of securities and on expectations regarding the markets of the Sub-Fund's assets. There is a risk that the Sub-Fund may not be invested at all times in the best-performing securities. The Sub-Fund's performance may therefore be lower than the management objective. In addition, the Net Asset Value of the Sub-Fund may have a negative performance.

Credit risk relating to issuers of debt securities: these risks may stem from an unexpected default risk or a downgrade in the rating of an issuer of a debt security. If an issuer's credit rating is downgraded, the value of its assets falls. Consequently, this may cause the Net Asset Value of the Sub-Fund to fall.

Risk of a fall in the rate of inflation: this risk may affect the short-term performance of inflation-linked bonds causing a fall in the Sub-Fund's Net Asset Value.

Risk arising from arbitrage transactions: arbitrage transactions carried out directly in the Sub-Fund are based on the ability of the investment manager to forecast trends in various markets and financial instruments. There is therefore a risk that the financial market trends may not be in line with those anticipated by the investment manager, which may result in a fall of the Sub-Fund's Net Asset Value. This fall may be greater than the fall on the financial markets.

Exchange risk: the Sub-Fund may invest in transferable securities denominated in currencies other than the reference currency. If a currency falls against the euro, the Net Asset Value may fall. There is a residual foreign exchange risk due to imperfect hedging.

Counterparty risk: the Sub-Fund may enter into financial derivative transactions and into repurchase transactions and other contracts that entail a credit exposure to certain counterparties. To the extent that counterparty defaults on its obligation, the Sub-Fund may experience a decline in the value of its portfolio.

Risk management method

Approach using the VaR method
In accordance with the 2010 Law and the regulations in force, in particular CSSF circular 11/512, the Sub-Fund uses a risk management process which makes it possible to evaluate the exposure of the Sub-Fund to market, liquidity and counterparty risk, as well as to all other forms of risk which are relevant to the Sub-Fund, including operational risk.

Calculation of overall exposure
Within the context of the risk management procedure, the Sub-Fund's overall exposure is measured and checked in accordance with the absolute value-at-risk (VaR) method.

In financial mathematics and in financial risk management, the value at risk is a measure predominantly used for risk of loss on a particular portfolio of financial assets.

The VaR is calculated with a unilateral confidence interval at 99% and for a retention period of 20 days.

The Sub-Fund’s VaR is limited to an absolute VaR calculated on the basis of the Sub-Fund’s Net Asset Value and does not exceed a maximum VaR limit determined by the Management Company, while taking into account the Sub-Fund's investment policy and risk profile. The maximum limit is set at 20%.

Leverage effect

The Sub-Fund may use derivatives to generate overexposure and thus expose the Sub-Fund beyond the level of its net assets. Depending on the direction of the Sub-Fund’s transactions, the effect of decreases or increases in the derivative's underlying assets may be magnified, leading to a larger decrease or increase in the Net Asset Value of the Sub-Fund.

The derivatives commitment approach is the method used to determine the Sub-Fund's rate of leverage. The expected leverage may not exceed 500% of the Sub-Fund's Net Asset Value.

The leverage is the sum of the exposure calculated with the commitment approach without the use of netting or hedging. This disclosed expected level of leverage is not intended to be an additional exposure limit for the Sub-Fund.

Investor profile

Investment horizon: > 3 years

The Sub-Fund is intended primarily for investors seeking a means to diversify their bond investments, particularly at a time when conventional bonds (fixed-rate) are exposed to a possible rise in interest rates and the inflation rate.

The reasonable amount to invest in this Sub-Fund depends on your personal financial situation. To determine this, you should take into account your personal assets and current requirements, and also your willingness to take risks or your wish to favour a prudential investment. You are also strongly advised to diversify your investments so as not to expose them solely to the risks of this Sub-Fund.

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees

Class B and I: Maximum of 3% of the NAV applicable per Share.

Class F: 0%

Redemption fee

0%

Conversion fee

0%

COSTS PAYABLE BY THE SUB-FUND

Management fee

Class B: Maximum 1.34% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.

Class I: Maximum 0.68% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.

Class F: Maximum 0.38% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.

Performance fee

The performance fee shall represent a maximum of 20% of the

	difference between the performance of the Sub-Fund' and the performance of the Barclays Capital Euro Government Inflation-Linked Bond Index denominated in euros (total return) (BEIG1T Index). The total amount of the outperformance fee is set at an upper limit of 2.50% of the average net assets of the Sub-Fund during the reference period. The performance is calculated by comparing the evolution of the assets of the Sub-Fund to the assets of a reference fund with a performance identical to that of the Barclays Capital Euro Government Inflation-Linked Bond Index denominated in euros (total return) and registering the same variations in subscriptions and redemptions as the actual Sub-Fund. A provision, or the recovery of the provision in the event of underperformance, is accounted for in each NAV calculation. The proportion of variable fees corresponding to redemptions is paid to the manager. The performance fees are calculated based on the last NAV in December. The performance fee is payable annually in the month following the end of the year. The first reference period will end on the date of last NAV in December 2013. No performance fees will be applicable to Class F.
Operating costs, including the Management Company fee	Class B: Up to 0.21% p.a. calculated daily and based on the net assets of the Sub-Fund with a minimum of EUR 50,000 p.a. The payment is due in the month following the end of each quarter. Class I: Up to 0.21% p.a. calculated daily and based on the net assets of the Sub-Fund with a minimum of EUR 50,000 p.a. The payment is due in the month following the end of each quarter. Class F: Up to 0.21% p.a. calculated daily and based on the net assets of the Sub-Fund. The payment is due in the month following the end of each quarter.
Other costs and fees	In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of the Sub-Fund	In Luxembourg the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is: - 0.05% for Class B Shares; and - 0.01% for Class I and F Shares per annum (exemption of net assets invested in Luxembourg UCIs already subject to the subscription tax).
Taxation of Shareholders	For further information please refer to Section IX in the main part of the Prospectus.

SALE OF SHARES

Subscription, redemption and conversion	Subscription, redemption and conversion orders received in Luxembourg before 11 a.m. on a Valuation Day will be processed on the basis of the Net Asset Value of the Valuation Day after applying the fees provided for in the Prospectus. Subscriptions and redemptions must be paid up no later than two Business Days following the applicable Valuation Day. No minimum initial subscription amount is applicable for the B and F Classes of Shares. Minimum initial subscription amount for Class I Shares: EUR 100,000.
Share type/Class	The Shares are capitalisation Shares (B, I and F Classes of Shares). Shares are issued in dematerialised registered form. Shares must be fully paid up and are issued with no par value.
Valuation Day	Every Business Day in Luxembourg.
Publication of the NAV	The Net Asset Value can be consulted at the registered office of the Company.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tel: +352 2696 2030 Fax: +352 2696 9747 Contact: BP2S TA Call Centre
Request for documentation	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tel: +352 2696 2030 Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

OVERVIEW OF THE SUB-FUND

Investment Manager	LA FRANCAISE ASSET MANAGEMENT, Paris
ISIN code	LU0970532353 (Class R Capitalisation EUR) LU0970532437 (Class I Capitalisation EUR) LU0970532601 (Class F Capitalisation EUR) LU1383696090 (Class I Capitalisation CHF H) LU1383697577 (Class T Capitalisation GBP H) LU1439994754 (Class I Distribution EUR) LU1629338333 (Class R Capitalisation USD H) LU1676204180 (Class R Distribution EUR)
Listed on Luxembourg stock exchange	NO

INVESTMENT POLICY

Objectives of the Sub-	The objective of the Sub-Fund is to achieve income and capital growth (total return). Specifically, the Sub-Fund seeks to outperform (net of fees) the reference index by at least 3.5%, over any given 3-year period. Reference indices: CHF-denominated shares: 3-month Libor CHF EUR-denominated share: 3-month Euribor GBP-denominated share: 3-month Libor GBP USD denominated share: 3 months Libor USD
Strategy of the Sub-Fund	The Investment Manager uses a combination of strategies, including: -a short-or-long directional strategy aiming to optimize the performance of the portfolio based on interest rate and inflation expectations; - an arbitrage strategy aimed at seeking the relative value on various bond asset classes; - an interest rate curve strategy aiming to exploit the variations of the spreads between long-term rates and short-term rates; - a credit strategy founded on the use of bonds issued by the private sector.
Investment policy	The sub-fund invests mainly in bonds of any credit quality, including below investment grade bonds, and in any currency from OECD issuers. Specifically, the Sub-Fund invests in fixed rate, floating rate or inflation-indexed debt securities and negotiable debt instruments.

The Sub-Fund may invest in, or be exposed to, the following investments up to the percentage of net assets indicated:

- convertible bonds: 100%
- contingent convertible bonds (coco bonds): 20%
- mortgage- or asset-backed securities: 20%
- UCITS/UCIs: 10%
- Equities (through exposure from convertible bonds): 5%

The Sub-Fund may invest in credit notes.

The Sub-Fund may hold cash and cash equivalent securities on an ancillary basis. These may include monetary UCIs or UCIs whose investment's overall weighted maturity or rate reset frequency does not exceed 12 months.

The Sub-Fund's net exposure (after hedging) to non-EUR currencies may be up to 10% of net assets.

The Sub-Fund will not invest in distressed / defaulted securities.

Modified Duration

Between -3 and 5

Efficient portfolio management techniques

The Sub-Fund may enter into temporary repurchase transactions and reverse repurchase transactions (also known as "repos") in order to:

(i) ensure the investment of the cash available (reverse repo),
(ii) optimise the performance of the portfolio (securities lending),
(iii) establish an arbitrage position designed to profit from a widening rate spread.

Use of derivatives

The Sub-Fund may, within the limits laid down in the Prospectus, invest in derivatives traded on regulated or OTC markets when these contracts are better suited to the management objective or offer lower trading costs. These instruments may include, but are not restricted to: futures, options, swaps, caps and floors, CDS, CDS on indices.

Each derivative instrument addresses a specific hedging, arbitrage, relative value or exposure strategy to:

(i) hedge the entire portfolio or certain classes of assets held within it against equity, interest and/or foreign exchange-rate risks,
(ii) synthetically rebuild specific assets (e.g. purchase of an inflation-linked bond against a fixed-rate bond), or
(iii) increase the Sub-Fund's exposure to interest-rate risks and foreign exchange risks on the market.

Reference currency

EUR

Risk profile

Risk of capital loss: as the Sub-Fund's capital is not guaranteed, the subscriber may lose all or part of his initial investment.

Interest-rate risk: the Sub-Fund is subject to interest-rate risk. The value of a debt or debt related security will generally increase when interest rates fall and decrease in value when interest rates rise. While changes in interest rates may affect the Sub-Fund's interest income, such changes may positively or negatively affect the net Sub-Fund's Net Asset Value.

Discretionary risk: the discretionary management style applied to the Sub-Fund is based on the selection of securities and on expectations regarding the markets of the Sub-Fund's assets. There is a risk that the Sub-Fund may not be invested at all times in the best-performing securities. The Sub-Fund's performance may therefore be lower than the management objective. In addition, the Net Asset Value of the Sub-Fund may have a negative performance.

Credit risk relating to issuers of debt securities: these risks may stem from an unexpected default risk or a downgrade in the rating of an issuer of a debt security. If an issuer's credit rating is downgraded, the value of its assets falls. Consequently, this may cause the Net Asset Value of the Sub-Fund to fall.

Risk of a fall in the rate of inflation: this risk may affect the short-term performance of inflation-linked bonds causing a fall in the Sub-Fund's Net Asset Value.

Counterparty risk: the Sub-Fund may enter into financial derivative transactions and into repurchase transactions and other contracts that entail a credit exposure to certain counterparties. To the extent that a counterparty defaults on its obligation, the Sub-Fund may experience a decline in the value of its portfolio.

Risk associated with investments in (speculative) high-yield securities: the Sub-Fund should be considered speculative. It is aimed specifically at investors who are aware of the risks inherent to investing in securities with a low or non-existent rating. These securities are classed as "speculative" and have a higher risk of default; they are likely to suffer higher and/or more frequent variations in valuations and are not always sufficiently liquid to be sold at all times at the best price. The Sub-Fund's Net Asset Value may therefore be lower when the value of these securities in the portfolio falls.

Equity risk: the risk that the underlying equities of the convertible bonds held in the portfolio will fall, and/or the risk linked to exposure to equity markets through futures instruments may lead to a fall in the Sub-Fund's Net Asset Value. This is limited to 5% of the net assets of the Sub-Fund.

Exchange risk: the Sub-Fund may invest in transferable securities denominated in currencies other than the reference currency. If a currency falls against the euro, the Net Asset Value may fall. The Sub-Fund may therefore be exposed to exchange risk up to a maximum of 10% of the net assets.

Risk associated with holding convertible bonds: The Sub-Fund may be exposed up to 100% in convertible bonds and up to 20% in contingent convertible bonds (“CoCos”) (which specific risks are detailed below). The value of convertible bonds depends to some extent on the evolution of the prices of their underlying equities. Changes in the underlying equities may lead to a fall in the Sub-Fund’s Net Asset Value.

Risk associated with investments in CoCos. The main feature of a CoCo is its ability to absorb losses as required by global bank regulators as part of a banks regulatory capital requirements and new debt global bail-in regimes.

Under the terms of a CoCo, the instruments become loss absorbing upon certain triggering events, including events under the control of the management of the CoCo issuer which could cause the permanent write-down to zero of principal investment and/or accrued interest, or a conversion to equity. The trigger event calculations may be affected by changes in applicable accounting rules, the accounting policies of the issuer or its group and the application of these policies. Any such changes, including changes over which the issuer or its group has a discretion, may have a material adverse impact on its reported financial position and accordingly may give rise to the occurrence of a trigger event in circumstances where such a trigger event may not otherwise have occurred, notwithstanding the adverse impact this will have on the position of holders of the CoCos.

Upon such occurrence, there is a risk of a partial or total loss in nominal value or conversion into the common stock of the issuer which may cause the relevant Sub-Fund as a CoCo bondholder to suffer losses:

(i) before both equity investors and other debt holders which may rank *pari passu* or junior to CoCo investors, and
(ii) in circumstances where the bank remains a going concern.

The value of such instrument may be impacted by the mechanism through which the instruments are converted into equity or written-down which may vary across different securities which may have varying structures and terms. CoCo terms may vary from issuer to issuer and bond to bond.

In equity convertible CoCos, the conversion share price is important as this determines the economic loss that a relevant Sub-Fund, as a holder of such instruments will suffer upon conversion and may not be pre-determined. For principal write-down CoCos, write-down can be immediate and in many cases there may be a full loss with no expectation of any return of principal. Only some CoCos may be written-back up to par and even then would do so over a potentially long period of time; however even if this is possible, the issuer may be able to call such investment prior to such write-up to par resulting in a loss to the bondholder.

There are a number of factors which could increase the likelihood of a trigger event occurring, some of which may be outside an issuer's control. CoCos may trade differently to other subordinated debt of an issuer which does not include a write-down or equity conversion feature which may result in a decline in value or liquidity in certain scenarios. It is possible, in certain circumstances e.g. issuer discretion not to pay, and/or insufficient distributable profits to pay interest in full or in part for interest payments on certain CoCos to be cancelled in full or in part by the issuer, without prior notice to bondholders. Therefore, there can be no assurances that investors will receive payments of interest in respect of CoCos. Unpaid interest may not be cumulative or payable at any time thereafter, and bondholders shall accordingly have no right, whether in a liquidation, dissolution or winding-up or otherwise, to claim the payment of any foregone interest which may impact the value of the relevant Sub-Fund.

Notwithstanding that interest not being paid or being paid only in part in respect of CoCos, or the principal value of such instruments may be written down to zero, there may be no restriction on the issuer paying dividends on its ordinary shares or making pecuniary or other distributions to the holders of its ordinary shares or making payments on securities ranking *pari passu* with the CoCos. Coupon cancellation may be at the option of the issuer or its regulator but may also be mandatory and related applicable laws and regulation.

Call extension risk: Some CoCos are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority. It cannot be assumed that the perpetual CoCos will be called on call date. Some CoCos are a form of permanent capital. The investor may not receive return of principal if expected on call date or indeed at any date.

Unknown risk: the structure of the instruments is innovative yet untested. In a stressed environment, when the underlying features of these instruments will be put to the test, it is uncertain how they will perform. In the event a single issuer activates a trigger or suspends coupons, will the market view the issue as an idiosyncratic event or systemic. In the latter case, potential price contagion and volatility to the entire asset class is possible. This risk may in turn be reinforced depending on the level of underlying instrument arbitrage. Furthermore in an illiquid market, price formation may be increasingly stressed.

Risk management method

Approach using the VaR method
In accordance with the 2010 Law and the regulations in force, in particular CSSF circular 11/512, the Sub-Fund uses a risk management process which makes it possible to evaluate the exposure of the Sub-Fund to market, liquidity and counterparty risk, as well as to all other forms of risk which are relevant to the Sub-Fund, including operational risk.

Calculation of overall exposure
Within the context of the risk management procedure, the Sub-Fund's overall exposure is measured and checked in accordance with the absolute value-at-risk (VaR) method.

In financial mathematics and in financial risk management, the value at risk is a measure predominantly used for risk of loss on a particular portfolio of financial assets.

The VaR is calculated with a unilateral confidence interval at 99% and for a retention period of 20 days.

The Sub-Fund's VaR is limited to an absolute VaR calculated on the basis of the Sub-Fund's Net Asset Value and does not exceed a maximum VaR limit determined by the Management Company, while taking into account the Sub-Fund's investment policy and risk profile. The maximum limit is set at 20%.

Leverage effect

The Sub-Fund may use derivatives to generate overexposure and thus expose the Sub-Fund beyond the level of its net assets. Depending on the direction of the Sub-Fund's transactions, the effect of decreases or increases in the derivative's underlying assets may be magnified, leading to a larger decrease or increase in the Net Asset Value of the Sub-Fund.

The derivatives commitment approach is the method used to determine the Sub-Fund's rate of leverage. The expected leverage rate may not exceed 500% of the Sub-Fund's Net Asset Value.

The leverage is the sum of the exposure calculated with the commitment approach without the use of netting or hedging. This disclosed expected level of leverage is not intended to be an additional exposure limit for the Sub-Fund.

Investor profile

Investment horizon: > 3 years

The Sub-Fund is intended primarily for investors seeking a means to diversify their bond investments. The reasonable amount to invest in this Sub-Fund depends on your personal financial situation. To determine this, you should take into account your personal assets and current requirements, and also your willingness to take risks or your wish to favour a prudent investment. You are also strongly advised to diversify your investments so as not to expose them solely to the risks of this Sub-Fund.

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees	Class R, I and T: Maximum of 3% of the NAV applicable per Share. Class F: 0%
Redemption fee	0%
Conversion fee	0%

COSTS PAYABLE BY THE SUB-FUND

Management fee	Class R: Maximum 1.04% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class I capitalisation: Maximum 0.48% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class I distribution: Maximum 0.39% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class T: Maximum 0.63% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class F: None
Performance fee	The performance fee shall represent a maximum of 25% of the difference between the performance of the Euro-denominated Shares and the performance of the 3 month Euribor + 3.5%. The performance fee shall represent a maximum of 25% of the difference between the performance of the GBP-denominated Shares and the performance of the 3 month Libor GBP + 3.5% The performance fee shall represent a maximum of 25% of the difference between the performance of the CHF-denominated Shares and the performance of the 3 month Libor CHF + 3.5%. The performance fee shall represent a maximum of 25% of the difference between the performance of the USD-denominated Shares and the performance of the 3 month Libor USD + 3.5%. The performance is calculated by comparing the evolution of the assets of the relevant Share Class to the assets of a reference fund (i) with a performance identical to that of the 3 month Euribor + 3.5% or 3 month Libor GBP + 3.5% (for GBP-denominated Shares) or 3 month Libor CHF + 3.5% (for CHF denominated Shares), or 3 month Libor USD + 3.5%. (for USD denominated Shares) and (ii) registering the same variations in subscriptions and redemptions as the actual Share Classes. A provision, or the recovery of the provision in the event of

underperformance, is accounted for in each NAV calculation. The proportion of variable fees corresponding to redemptions is paid to the manager.

The Class I Distribution EUR will apply the high-water mark principle. Consequently if there is an under-performance for a given period this under-performance will be taken into consideration, which means that the highest NAV per Share ever previously achieved for this Class will be maintained until a new performance of the NAV per share of this Class is recorded. In case of performance, the performance fee shall be capped in order to avoid a decrease of the new performance below the highest NAV ever previously achieved.

The performance fees are calculated based on the last NAV in December. The performance fee is payable annually in the month following the end of the year. No performance fees will be applicable to Class F.

Operating costs, including the Management Company fee

Class R Up to 0.25% p.a. calculated daily and based on the net assets of the Sub-Fund with a minimum of EUR 50,000 p.a. The payment is due in the month following the end of each quarter.

Class I: Up to 0.25% p.a. calculated daily and based on the net assets of the Sub-Fund with a minimum of EUR 50,000 p.a. The payment is due in the month following the end of each quarter.

Class T: Up to 0.25% p.a. calculated daily and based on the net assets of the Sub-Fund with a minimum of EUR 50,000 p.a. The payment is due in the month following the end of each quarter.

Class F: Up to 0.13% p.a. calculated daily and based on the net assets of the Sub-Fund. The payment is due in the month following the end of each quarter.

Other costs and fees

In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of the Sub-Fund

In Luxembourg the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is:

0.05% for Class R Shares; and
0.01% for Class I, F and T Shares per annum (exemption of net assets invested in Luxembourg UCIs already subject to the subscription tax).

Taxation of Shareholders

For further information please refer to Section IX in the main part of the Prospectus.

SALE OF SHARES

Subscription, redemption and conversion	Subscription, redemption and conversion orders received in Luxembourg before 11 a.m. on a Valuation Day will be processed on the basis of the Net Asset Value of the Valuation Day after applying the fees provided for in the Prospectus. Subscriptions and redemptions must be paid up no later than two Business Days following the applicable Valuation Day. No minimum initial subscription amount is applicable for the R (except for the R USD H Capitalisation Class of Shares), F and T Classes of Shares. Minimum initial subscription amount for Class I Capitalisation Shares: EUR/CHF 100,000. Minimum initial subscription amount for Class I Distribution Shares: EUR 25 000 000 Minimum subscription amount for R USD H Capitalisation Share: USD 100,000
Share type/Class	The R Capitalisation EUR Shares are capitalisation Shares. The I Capitalisation EUR Shares are capitalisation Shares. The F Capitalisation EUR Shares are capitalisation Shares. The I Capitalisation CHF H Shares are capitalisation Shares. The T Capitalisation GBP H Shares are capitalisation Shares. The I Distribution EUR Shares are distribution Shares. The R Capitalisation USD H Shares are capitalisation Shares. The R Distribution EUR Shares are distribution Shares. Class I CHF H, R USD H and Class T GBP H, denominated in a currency different from the Sub-Fund's reference currency, will be hedged against foreign exchange risk by means of derivative instruments. There may however be a residual currency exchange risk due to imperfect hedging. Shares are issued in dematerialised registered form. Shares must be fully paid up and are issued with no par value.
Valuation Day	Every Business Day in Luxembourg.
Publication of the NAV	The Net Asset Value can be consulted at the registered office of the Company.
Initial subscription price	Class I Distribution EUR Shares: EUR 1,000. Class R USD H Shares: USD 1,000 Class R Distribution Shares: EUR 100

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tel: +352 2696 2030 Fax-: +352 2696 9747 Contact-: BP2S TA Call Centre
Request for documentation	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tel: +352 2696 2030 Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

OVERVIEW OF THE SUB-FUND

Investment Manager	LA FRANCAISE ASSET MANAGEMENT, Paris
ISIN code	LU0970532940 (Class I Capitalisation) LU0970533088 (Class F Capitalisation)
Listed on Luxembourg stock exchange	NO

INVESTMENT POLICY

Objectives of the Sub-Fund

The objective of the Sub-Fund is to achieve, over the recommended investment period of over three years, a return in excess of the index JP Morgan Emerging Markets Bond Index Global Diversified $ coupons included.

Strategy of the Sub-Fund

The management of the Sub-Fund is based on a dynamic management of investments in bonds from emerging markets in Latin America, Central and Eastern Europe, Asia, Africa and the Middle East, and, where appropriate, countries in the Eurozone depending on the following risks:

(i) credit risk, through a fundamental analysis based on indicators of emerging markets risk plus an analysis of technical market indicators;
(ii) interest-rate risk, by actively controlling the overall sensitivity of the portfolio;
(iii) exchange-rate risk.

The respective allocation between the risk factors is based on an analysis of the global economic and financial environment and its impact on emerging market bonds. The management style aims to ensure that the Sub-Fund shall outperform the benchmark, with a capacity to resist periods of pressure in credit risk premiums and/or interest rates.

Investment policy

The Sub-Fund will mainly invest in fixed or floating-rate debt instruments denominated in euros and/or other currencies with the following characteristics: issuers from emerging countries located in Asia, Latin America, Central and Eastern Europe, Africa and the Middle East and countries in the Eurozone: up to 100%.

The portfolio will be invested primarily in securities issued or guaranteed by entities having a rating of at least B- by Standard & Poor's or at least B3 by Moody’s or be considered equivalent by the Investment Manager using similar credit criteria at the time of purchase. When the issuer is not rated, the rating condition shall be fulfilled by the issue. The balance may be invested in securities with a lower rating and/or in securities with no rating. The Sub-Fund may invest in securities denominated in currencies other than the euro. Up to 100% of the net assets of the Sub-Fund may be exposed to foreign exchange risk.

The Sub-Fund may not invest in Mortgage or Asset-Backed Securities.

The Sub-Fund may invest in Credit Notes in accordance with article 41.1 of the 2010 Law.

Up to 10% of the assets of the Sub-Fund may be exposed to the stock market.

The duration of the portfolio is between 0 and 10 years.

The Sub-Fund can also invest up to 10% of its net assets in shares or units of UCITS and/or other UCIs.

The Sub-Fund may hold liquid assets on an ancillary basis. The Sub-Fund may, with the aim of investing its liquid assets, invest in monetary UCIs or UCIs invested in:

1) Debt securities whose final or residual maturity term, taking into account the financial instruments associated therewith, does not exceed 12 months, or

2) Debt securities for which the rate is adapted, taking into account the financial instruments associated therewith, at least once a year.

Sensitivity range

Between 0 and 8

Efficient portfolio management techniques

The Sub-Fund may enter into temporary repurchase transactions and reverse repurchase transactions (also known as "repos") in order to:

(i) ensure the investment of the cash available (reverse repo),
(ii) optimise the performance of the portfolio (securities lending),
(iii) establish an arbitrage position designed to profit from a widening rate spread.

Use of derivatives

The Sub-Fund may, within the limits laid down in the Prospectus, invest in derivatives traded on regulated or OTC markets when these contracts are better suited to the management objective or offer lower trading costs. These instruments may include, but are not restricted to: futures, options, swaps, caps and floors, NDF (Non-Deliverable Forward).

Each derivative instrument addresses a specific hedging, arbitrage or exposure strategy to:

(i) hedge the entire portfolio or certain classes of assets held within it against interest and/or foreign exchange-rate risks,
(ii) synthetically rebuild specific assets, or
(iii) increase the Sub-Fund's exposure to interest-rate risks on the market.

The use of derivatives is limited to 100% of the Sub-Fund’s net assets.

Reference currency

EUR

Risk profile

Risk of capital loss: as the Sub-Fund’s capital is not guaranteed, the subscriber may lose all or part of his initial investment.

Discretionary risk: the discretionary management style applied to the Sub-Fund is based on the selection of securities and on expectations regarding the markets of the Sub-Fund's assets. There is a risk that the Sub-Fund may not be invested at all times in the best-performing securities. The Sub-Fund's performance may therefore be lower than the management objective. In addition, the Net Asset Value of the Sub-Fund may have a negative performance.

Interest-rate risk: the Sub-Fund is subject to interest-rate risk. The interest-rate risk is the risk that the value of the Sub-Fund's investment may decrease if interest rates rise. Thus, when interest rates rise, the Net Asset Value of the Sub-Fund may fall.

Credit risk relating to issuers of debt securities: these risks may stem from an unexpected default risk or a downgrade in the rating of an issuer of a debt security. If an issuer’s credit rating is downgraded, the value of its assets falls. Consequently, this may cause the Net Asset Value of the Sub-Fund to fall.

Credit risk relating to high yield securities: high yield bonds are regarded as being predominately speculative. Investment in such securities involves substantial risk. It is aimed specifically at investors who are aware of the risks inherent to investing in securities with a low or non-existent rating. These securities are classed as “speculative” and have a higher risk of default; they are likely to suffer higher and/or more frequent variations in valuations and are not always sufficiently liquid to be sold at all times at the best price. In the event of bankruptcy of an issuer, the Sub-Fund may experience a decline in the value of its portfolio.

Counterparty risk: the Sub-Fund may enter into financial derivative transactions and into repurchase transactions and other contracts that entail a credit exposure to certain counterparties. To the extent that counterparty defaults on its obligation, the Sub-Fund may experience a decline in the value of its portfolio.

Risk linked to investments in countries with emerging economies: the Sub-Fund may be exposed to emerging markets. Market risk is increased by any investment in emerging countries where upward and downward market movements may be more pronounced and more sudden than on major international markets. Investing in emerging markets involves a high degree of risk due to the political and economic situation of these markets, which may affect the value of the Sub-Fund's investments. Their operational and supervisory conditions may differ from the standards prevailing on the major international markets. Consequently, the Sub-Fund's Net Asset Value may fall.

Equity risk: the risk linked to exposure to equity markets may lead to a fall in the Sub-Fund's Net Asset Value. This is limited to 10% of the net assets of the Sub-Fund.

Currency risk: the Sub-Fund may invest in securities denominated in a number of different currencies other than the base currency in which the Sub-Fund is denominated. Changes in foreign currency exchange rates may adversely affect the value of the Sub-Fund's investments.

Risk management method

Approach using the VaR method
In accordance with the 2010 Law and the regulations in force, in particular CSSF circular 11/512, the Sub-Fund uses a risk management process which makes it possible to evaluate the exposure of the Sub-Fund to market, liquidity and counterparty risk, as well as to all other forms of risk which are relevant to the Sub-Fund, including operational risk.

Calculation of overall exposure
Within the context of the risk management procedure, the Sub-Fund's overall exposure is measured and checked in accordance with the absolute value-at-risk (VaR) method.

In financial mathematics and in financial risk management, the value at risk is a measure predominantly used for risk of loss on a particular portfolio of financial assets.

The VaR is calculated with a unilateral confidence interval at 99% and for a retention period of 20 days.

The Sub-Fund's VaR is limited to an absolute VaR calculated on the basis of the Sub-Fund's Net Asset Value and does not exceed a maximum VaR limit determined by the Management Company, while taking into account the Sub-Fund's investment policy and risk profile. The maximum limit is set at 20%.

Leverage effect

The Sub-Fund may use derivatives to generate overexposure and thus expose the Sub-Fund beyond the level of its net assets. Depending on the direction of the Sub-Fund's transactions, the effect of decreases or increases in the derivative's underlying assets may be magnified, leading to a larger decrease or increase in the Net Asset Value of the Sub-Fund.

The derivatives commitment approach is the method used to determine the Sub-Fund’s rate of leverage. The expected leverage rate may not exceed 500% of the Sub-Fund's Net Asset Value.

The leverage is the sum of the exposure calculated with the commitment approach without the use of netting or hedging. This disclosed expected level of leverage is not intended to be an additional exposure limit for the Sub-Fund.

Investor profile

Investment horizon: > 3 years

The Sub-Fund is intended primarily for investors seeking emerging market exposure for their bond investments.

The reasonable amount to invest in this Sub-Fund depends on your personal financial situation. To determine this, you should take into account your personal assets and current requirements, and also your willingness to take risks or your wish to favour a prudent investment. You are also strongly advised to diversify your investments so as not to expose them solely to the risks of this Sub-Fund.

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees

Class I: Maximum of 3% of the NAV applicable per Share.
Class F: 0%

Redemption fee

0%

Conversion fee

0%

COSTS PAYABLE BY THE SUB-FUND

Management fee

Class I: Maximum 1.11% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.

Class F: None

Performance fee

The performance fee shall represent a maximum of 25% of the difference between the performance of the Sub-Fund and the performance of the index JP Morgan Emerging Markets Bond Index Global Diversified $ coupons included. The total amount of the outperformance fee is set at an upper limit of 2.50% of the average net assets of the Sub-Fund during the reference period.

The performance is calculated by comparing the evolution of the assets of the Sub-Fund to the assets of a reference fund with a performance identical to that of the index JP Morgan Emerging Markets Bond Index Global Diversified $ coupons included and registering the same variations in subscriptions and redemptions as the actual Sub-Fund.

A provision, or the recovery of the provision in the event of underperformance, is accounted for in each NAV calculation. The proportion of variable fees corresponding to redemptions is paid to the manager.

The performance fees are calculated based on the last NAV in December. The performance fee is payable annually in the month following the end of the year. The first reference period will end on the date of the last NAV in December 2013.
No performance fees will be applicable to Class F.

Operating costs, including the Management Company fee

Class I: Up to 0.23% p.a. calculated daily and based on the net assets of the Sub-Fund with a minimum of EUR 50,000 p.a. The payment is due in the month following the end of each quarter.

Class F: Up to 0.09% p.a. calculated daily and based on the net assets of the Sub-Fund. The payment is due in the month following the end of each quarter.

Other costs and fees

In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of the Sub-Fund

In Luxembourg the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is:

- 0.05% for Class B Shares; and
- 0.01% for Class I and F Shares per annum (exemption of net assets invested in Luxembourg UCIs already subject to the subscription tax).

Taxation of Shareholders

For further information please refer to Section IX in the main part of the Prospectus.

SALE OF SHARES

Subscription, redemption and conversion

Subscription, redemption and conversion orders received in Luxembourg before 11 a.m. on a Valuation Day will be processed on the basis of the Net Asset Value of the Valuation Day after applying the fees provided for in the Prospectus. Subscriptions and redemptions must be paid up no later than two Business Days following the applicable Valuation Day.

No minimum initial subscription amount is applicable for the F Class of Shares.

Minimum initial subscription amount for Class I Shares: EUR 100,000.

Share type/Class

The Shares are capitalisation Shares (I and F Classes of Shares).

	Shares are issued in dematerialised registered form. Shares must be fully paid up and are issued with no par value.
Valuation Day	Every Business Day in Luxembourg.
Publication of the NAV	The Net Asset Value can be consulted at the registered office of the Company.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tel: +352 2696 2030 Fax: +352 2696 9747 Contact: BP2S TA Call Centre
Request for documentation	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tel: +352 2696 2030 Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

OVERVIEW OF THE SUB-FUND

Investment Manager	LA FRANCAISE ASSET MANAGEMENT, Paris
ISIN code	LU0970533245 (Class B Capitalisation) LU0970533328 (Class I Capitalisation) LU0970533674 (Class F Capitalisation)
Listed on Luxembourg stock exchange	NO

INVESTMENT POLICY

Objectives of the Sub-Fund

The Sub-Fund aims to provide capital growth and income.

The Sub-Fund qualifies as an absolute return fund which means the Sub-Fund seeks to deliver a positive return over a 12 months period in all market conditions, but this cannot be guaranteed.

Strategy of the Sub-Fund

The investment strategy involves a discretionary management of the Sub-Fund's portfolio. To achieve the investment objective, the Investment Manager will apply a long or a short strategy (buying or selling positions) on interest rates, credit and FX markets.

The Sub-Fund invests in bonds and transferable debt securities issued by entities from the private sector (up to 30%) and from the public and para-public sectors denominated in Euro or any other foreign currency.

With respect to the above paragraph, the Sub-Fund invests principally in debt from emerging countries in Asia, Latin America, Central and Eastern Europe (including Russia), Africa and the Middle East, with the ability to invest worldwide in case of adverse market conditions. Eligible countries are selected according to a process set up by the Investment Manager and based on qualitative and quantitative criteria.

Investment policy

The Sub-Fund allocates the portfolio, using directional and/or relative value strategy depending on the market opportunities.
The investment process is based on a dual analysis:

- In-depth fundamental analysis (macro-economic parameters (i.e. budget deficit, ratio of public debt, etc.)
- Quantitative analysis

Investments shall be made in accordance with the following characteristics:

- Up to 100% Investment Grade issuers i.e. having a rating of at least BBB- by Standard & Poor's or at least Baa3 by Moody's or considered equivalent by the Investment Manager using similar credit criteria at the time of purchase. When the issuer is not rated, the rating condition shall be fulfilled by the issue;

- Up to 80% High yield (speculative): issuer's rating lower than BBB- on the Standard & Poor's rating agency scale or lower than Baa3 by Moody's or an equivalent rating grade with another credit rating agency (or be considered equivalent by the Investment Manager using similar credit criteria at the time of purchase). When the issuer is not rated, the rating criteria shall be fulfilled by the issue; and

- Up to 30% non-rated securities.

The Sub-Fund may not invest in mortgage or asset-backed securities.

The Sub-Fund may invest in credit notes in accordance with article 41.1 of the 2010 Law.

The Sub-Fund may invest up to 100% in securities denominated in currencies other than the euro.

The Sub-Fund can also invest up to 10% of its net assets in shares or units of UCITS and/or other UCIs.

The Sub-Fund may hold liquid assets on an ancillary basis. The Sub-Fund may, with the aim of investing its liquid assets, invest in monetary UCIs or UCIs invested in:

1) debt securities whose final or residual maturity term, taking into account the financial instruments associated therewith, does not exceed 12 months, or

2) debt securities for which the rate is adapted, taking into account the financial instruments associated therewith, at least once a year.

Sensitivity range

Between -8 and 8

Efficient portfolio management techniques

The Sub-Fund may enter into temporary repurchase transactions and reverse repurchase transactions (also known as "repos") within the prescribed limits in order to:

(a) achieve the Sub-Fund's objective,

(b) manage the cash flow or

(c) potentially create a leverage effect.

All assets received in the context of efficient portfolio management techniques should be considered as collateral and should comply with the following criteria:

- Any collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing
- Collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral
- Collateral received should be of high quality
- Collateral received by the Sub-Fund should be issued by an entity that is independent from the counterparty
- Collateral should be sufficiently diversified in terms of country, markets and issuers
- Non-cash collateral received should not be sold, re-invested or pledged.

Collateral and haircut policy

For the avoidance of doubt, collateral received by the Sub-Fund to reduce counterparty risk exposure shall be limited to cash which will be:

- Placed on deposit with entities prescribed in Article 50(f) of the UCITS Directive,
- Invested in high-quality government bonds,
- Used for the purpose of reverse repo transactions provided the transactions are with credit institutions subject to prudential supervision and the Sub-Fund is able to recall at any time the full amount of cash on accrued basis, and
- Invested in short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European *Money Market Funds.*

Asset Class	Currency	Valuation Percentage
Cash	EUR	100%

Use of derivatives

The Sub-Fund may, within the limits laid down in the Prospectus, invest in derivatives traded on regulated or OTC markets when these contracts are better suited to the management objective or offer lower trading costs. These instruments may include, but are not restricted to: futures, options, swaps, CDS (credit default swap) etc.

Each derivative instrument addresses a specific hedging, arbitrage or exposure strategy aimed at:

(i) hedging the entire portfolio or certain classes of assets (fixed or floating-rate bonds) held in the portfolio against interest rate and/or equity market risks and/or foreign exchange-rate risks;

(ii) synthetically rebuild specific assets;

(iii) increase the Sub-Fund's exposure to the interest-rate risk faced by the market.

Reference currency

EUR

Risk profile

Risk of capital loss: as the Sub-Fund's capital is not guaranteed, the subscriber may lose all or part of his initial investment.

Interest-rate risk: the Sub-Fund is subject to interest-rate risk. The interest-rate risk is the risk that the value of the Sub-Fund's investment may decrease if interest rates rise. Thus, when interest rates rise, the Net Asset Value of the Sub-Fund may fall.

Credit risk relating to issuers of debt securities: these risks may stem from an unexpected default risk or a downgrade in the rating of an issuer of a debt security. If an issuer's credit rating is downgraded, the value of its assets falls. Consequently, this may cause the Net Asset Value of the Sub-Fund to fall.

Discretionary risk: the discretionary management style applied to the Sub-Fund is based on the selection of securities and on expectations regarding the markets of the Sub-Fund's assets. There is a risk that the Sub-Fund may not be invested at all times in the best-performing securities. The Sub-Fund's performance may therefore be lower than the management objective. In addition, the Net Asset Value of the Sub-Fund may have a negative performance.

Counterparty risk: the Sub-Fund may enter into financial derivative transactions and into repurchase transactions and other contracts that entail a credit exposure to certain counterparties. To the extent that counterparty defaults on its obligation, the Sub-Fund may experience a decline in the value of its portfolio.

Risk linked to investments in countries with emerging economies: the Sub-Fund may be exposed to emerging markets. Market risk is increased by any investment in emerging countries where upward and downward market movements may be more pronounced and more sudden than on major international markets. Investing in emerging markets involves a high degree of risk due to the political and economic situation of these markets, which may affect the value of the Sub-Fund's investments. Their operational and supervisory conditions may differ from the standards prevailing on the major international markets. Consequently, the Sub-Fund's Net Asset Value may fall.

Credit risk relating to high yield securities: high yield bonds are regarded as being predominately speculative. Investment in such securities involves substantial risk. It is aimed specifically at investors who are aware of the risks inherent to investing in securities with a low or non-existent rating. These securities are classed as "speculative" and have a higher risk of default; they are likely to suffer higher and/or more frequent variations in valuations and are not always sufficiently liquid to be sold at all times at the best price. In the event of bankruptcy of an issuer, the Sub-Fund may experience a decline in the value of its portfolio.

Risk arising from arbitrage transactions: Arbitrage is a technique which consists of benefiting from the price differences anticipated between markets and/or sectors and/or currencies and/or instruments. In the event of unfavourable trends in these arbitrages (rise in selling transactions and/or fall in buying transactions), the valuation of the strategy declines and the Net Asset Value of the Sub-Fund may fall significantly.

Risk arising from overexposure/leverage: The Sub-Fund may use financial derivatives instruments, such as options, interest rate futures, currency futures, FRA (forward rate agreement), interest rate swap, currency swap, NDF (non-deliverable forward) to generate overexposure/leverage and thus expose the Sub-Fund beyond the level of its net assets. Depending on the direction of the Sub-Fund's transactions, the effect of the fall (in the case of purchase of exposure) or of the rise of the underlying of the derivative (in the case of sale of exposure) may be amplified and therefore increase the fall of the Net Asset Value of the Sub-Fund.

Exchange risk: the Sub-Fund may invest in transferable securities denominated in currencies other than the reference currency. If a currency falls against the euro, the Net Asset Value may fall.

Risk management method

Approach using the VaR method

In accordance with the 2010 Law and the regulations in force, in particular CSSF circular 11/512, the Sub-Fund uses a risk management process which makes it possible to evaluate the exposure of the Sub-Fund to market, liquidity and counterparty risk, as well as to all other forms of risk which are relevant to the Sub-Fund, including operational risk.

Leverage Effect

Calculation of global exposure

Within the context of the risk management procedure, the Sub-Fund's global exposure is measured and checked in accordance with the absolute value-at-risk (VaR) method.

In financial mathematics and in financial risk management, the VaR is a measure predominantly used for risk of loss on a particular portfolio of financial assets.

The VaR is calculated with a unilateral confidence interval at 99% and for a retention period of 20 days.

The Sub-Fund’s VaR is limited to an absolute VaR calculated on the basis of the Sub-Fund’s Net Asset Value and does not exceed a maximum VaR limit determined by the Investment Manager, while taking into account the Sub-Fund's investment policy and risk profile. The maximum internal VaR limit is set at 7%.

The Sub-Fund may use derivatives to generate overexposure and thus expose the Sub-Fund beyond the level of its net assets. Depending on the direction of the Sub-Fund’s transactions, the effect of decreases or increases in the derivative’s underlying assets may be magnified, leading to a larger decrease or increase in the Net Asset Value of the Sub-Fund.

The expected leverage rate is no more than 1000% of the Sub-Fund’s Net Asset Value.
This leverage rate may not be representative of the real risk level of the Sub-Fund. The use of relative values strategies such as credit curve strategies shall contribute to the leverage level.
The leverage is proportional to the use of derivatives:

- The use of short term rate derivatives with low duration may contribute to the leverage level.

- The use of futures with different buckets of duration through long/short or relative strategies shall contribute to the leverage level.

- Long/ Short strategies in the sovereign or corporate credit may use derivatives such as credit default swaps in different parts of the curve/duration and may contribute to the leverage level.

The leverage is the sum of the exposure calculated with the notional equivalent without the use of netting or hedging. This disclosed expected level of leverage is not intended to be an additional exposure limit for the Sub-Fund.

Investor profile

Investment horizon: > 3 years

The Sub-Fund is intended primarily for investors seeking to diversify their bond investments in emerging countries outside the Eurozone through an exposure to interest rates.

The reasonable amount to invest in this Sub-Fund depends on your personal financial situation. To determine this, you should take into account your personal assets and current requirements, and also your willingness to take risks or your wish to favour a prudent investment. You are also strongly advised to diversify your investments so as not to expose them solely to the risks of this Sub-Fund.

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees	Classes B and I: Maximum of 3% of the NAV applicable per share. Class F: 0%
Redemption fee	0%
Conversion fee	0%

COSTS PAYABLE BY THE SUB-FUND

Management fee	Class B: Maximum 1.27% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class I: Maximum 0.56% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class F: None
Performance fee	The performance fee shall represent a maximum of 20% of the difference between the performance of the Sub-Fund and the performance of the Euribor 3 Months + 3% (EUR003M Index), provided that the annual performance of the Sub-Fund (after deduction of all fees) is positive. The performance is calculated by comparing the evolution of the assets of the Sub-Fund to the assets of a reference fund with a performance identical to that of the Euribor 3 Months + 3% and registering the same variations in subscriptions and redemptions as the actual Sub-Fund. A provision, or the recovery of the provision in the event of underperformance, is accounted for in each NAV calculation. The proportion of variable fees corresponding to redemptions is paid to the manager. The performance fees are calculated based on the last NAV in December. The performance fee is payable annually in the

month following the end of the year. The first reference period ended on the date of the last NAV in December 2013.

No performance fees will be applicable to Class F.

These performance fees are capped at 2.5% (incl. tax) of the net assets.

Operating costs, including the Management Company fee

Class B: Up to 0.25% p.a. calculated daily and based on the net assets of the Sub-Fund with a minimum of EUR 50,000 p.a.
The payment is due in the month following the end of each quarter.

Class I: Up to 0.25% p.a. calculated daily and based on the net assets of the Sub-Fund with a minimum of EUR 50,000 p.a.

The payment is due in the month following the end of each quarter.Class F: Up to 0.06% p.a. calculated daily and based on the net assets of the Sub-Fund. The payment is due in the month following the end of each quarter.

Other costs and fees

In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of the Company

In Luxembourg the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is:

- 0.05% for Class B Shares; and
- 0.01% for Class I and F Shares per annum (exemption of net assets invested in Luxembourg UCIs already subject to the subscription tax)

Taxation of Shareholders

Dividend or redemption payments in favour of the Shareholders may be subject to a withholding tax in accordance with the provisions of Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments. If such payments are subject to withholding tax, investors have the option of not paying the tax if they submit a certificate of exemption or an authorisation for exchange of information, in accordance with the options made available by the paying agent.

Shareholders are advised to seek advice from their tax consultant regarding the laws and regulations in force in their country of origin and residence.

SALE OF SHARES

Subscription, redemption and conversion	Subscription, redemption and conversion orders received in Luxembourg before 11 a.m. on a valuation day will be processed on the basis of the Net Asset Value of the valuation day after applying the fees provided for in the Prospectus. Subscriptions and redemptions must be paid up no later than two Business Days following the applicable Valuation Day.
Share type/class	The Shares are capitalisation Shares (B, I and F Classes). A minimum initial subscription amount is applicable for the following Class of Shares: Institutional (I) Share Class: EUR 100,000 Retail (F and B) Share Classes: None Shares are issued in dematerialised registered form. Shares must be fully paid up and are issued with no par value. Fractions of Shares, up to one thousandth of a share, may be issued.
Valuation Day	Every Business Day in Luxembourg.
Publication of the NAV	The Net Asset Value can be consulted at the registered office of the Company.
Initial subscription price	Class B: EUR 100,- Class I: EUR 100,- Class F: EUR 100,-
Swing Pricing	In case of significant subscriptions, redemptions and/or conversions to and/or from a Sub-Fund for a Valuation Day, the Management Company reserves the right to apply a “swing pricing” mechanism (fluctuating pricing) as part of its daily valuation policy so as to take into account the dilution effect and protect the interests of shareholders. In such a case, the Net Asset Value of the Sub-Fund may be adjusted up to an amount not exceeding 2% of the Net Asset Value concerned by applying an estimate of the difference between the buy and sell price applicable on the markets on which the assets are traded. Attention of shareholders is drawn to the fact that if a dilution adjustment is made, it is usually to increase the Net Asset Value per share in the event of significant net capital inflows into the relevant Sub-Fund or to reduce the Net Asset Value per share in the event of significant net capital outflows. The NAV per Share is determined by the Administrative Agent and made available at the registered office of the Company on the relevant Valuation Day.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tel: +352 2696 2030 Fax: +352 2696 9747 Contact: BP2S TA Call Centre
Request for documentation	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tel: +352 2696 2030 Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

SUB-FUND: La Française LUX – PROTECTAUX

OVERVIEW OF THE SUB-FUND

Investment Manager	LA FRANCAISE ASSET MANAGEMENT, Paris
ISIN code	LU0970533914 (Class I Capitalisation) LU0970534052 (Class F Capitalisation)
Listed on Luxembourg stock exchange	NO

INVESTMENT POLICY

Objectives of the Sub-Fund	The objective of the Sub-Fund is to deliver a positive performance, in a context of a rise in 10-year interest rates in the Eurozone, over the recommended investment period of over two years. For information purposes only, the index of the Sub-Fund is the JPM Short German Bund Index (JFBERXEU Index).
Strategy of the Sub-Fund	The management of the Sub-Fund is based on actively managing short positions on futures and/or forward contracts. Structurally invested in bonds denominated in euros and issued or guaranteed by the French State or a State having a rating of AAA by Standard & Poor's or Aaa by Moody's, the Sub-Fund will take short positions in futures and/or forward contracts in order to take advantage of potential rising interest rates. In addition to a strategic short exposure, the Sub-Fund also attempts to capture the volatility of long-term rates in the Eurozone. The management style aims to ensure that the portfolio's development is strongly correlated with the rise in long-term rates while achieving interim profits by closely monitoring positions.
Investment policy	The Sub-Fund will invest in debt instruments denominated in euros and issued or guaranteed by the French State or a State having a rating of AAA by Standard & Poor's or Aaa by Moody's or be considered equivalent by the Investment Manager using similar credit criteria at the time of purchase. When the issuer is not rated, the rating condition shall be fulfilled by the issue. If an investment grade bond is downgraded to sub-investment grade, the relevant asset will not be sold unless, in the opinion of the Investment Manager, it is in the interest of Shareholders to do so. Such sub-investment grade assets may not exceed a total of 10% of the Sub-Fund's assets. The Sub-Fund may invest 100% of its net assets in securities issued or guaranteed by any Member State of the OECD.

The Sub-Fund will be primarily invested in public debt and may invest up to 20% in private debt.

The Sub-Fund may not invest in Mortgage or Asset-Backed Securities or Credit Notes.

The Sub-Fund can also invest up to 10% of its net assets in shares or units of UCITS and/or other UCIs.

The Sub-Fund may hold liquid assets on an ancillary basis. The Sub-Fund may, with the aim of investing its liquid assets, invest in monetary UCIs or UCIs invested in:

1) Debt securities whose final or residual maturity term, taking into account the financial instruments associated therewith, does not exceed 12 months, or

2) Debt securities for which the rate is adapted, taking into account the financial instruments associated therewith, at least once a year.

Sensitivity range

Between -10 and 2

Efficient portfolio management techniques

The Sub-Fund may enter into temporary repurchase transactions and reverse repurchase transactions (also known as "repos") in order to:

(i) ensure the investment of the cash available (reverse repo),
(ii) optimise the performance of the portfolio (securities lending),
(iii) establish an arbitrage position designed to profit from a widening rate spread.

Use of derivatives

The Sub-Fund may, within the limits laid down in the Prospectus, invest in derivatives traded on regulated or OTC markets when these contracts are better suited to the management objective or offer lower trading costs. These instruments may include, but are not restricted to: futures, options, swaps, caps and floors.

Each derivative instrument addresses a specific hedging, arbitrage or exposure strategy to:

(i) hedge the entire portfolio or certain classes of assets held within it against interest
(ii) synthetically rebuild specific assets (e.g. purchase of an inflation-linked bond against a fixed-rate bond), or
(iii) increase the Sub-Fund's exposure to interest-rate risks on the market.

The use of derivatives is limited to 100% of the Sub-Fund's net assets.

Reference currency	EUR
Risk profile	*Risk of capital loss*: as the Sub-Fund's capital is not guaranteed, the subscriber may lose all or part of his initial investment. *Discretionary risk*: the discretionary management style applied to the Sub-Fund is based on the selection of securities and on expectations regarding the markets of the Sub-Fund's assets. There is a risk that the Sub-Fund may not be invested at all times in the best-performing securities. The Sub-Fund's performance may therefore be lower than the management objective. In addition, the Net Asset Value of the Sub-Fund may have a negative performance. *Interest-rate risk*: the Sub-Fund is subject to interest-rate risk. The interest-rate risk is the risk that the value of the Sub-Fund's investment may decrease if interest rates rise. Thus, when interest rates rise, the Net Asset Value of the Sub-Fund may fall. *Credit risk relating to issuers of debt securities*: these risks may stem from an unexpected default risk or a downgrade in the rating of an issuer of a debt security. If an issuer's credit rating is downgraded, the value of its assets falls. Consequently, this may cause the Net Asset Value of the Sub-Fund to fall. *Counterparty risk*: the Sub-Fund may enter into financial derivative transactions and into repurchase transactions and other contracts that entail a credit exposure to certain counterparties. To the extent that counterparty defaults on its obligation, the Sub-Fund may experience a decline in the value of its portfolio.
Risk management method	Commitment approach.
Investor profile	Investment horizon: > 2 years The Sub-Fund is intended primarily for investors seeking to protect themselves against a possible rise in long-term interest rates in the Eurozone and/or to benefit from any rise in long-term interest rates in the Eurozone. The reasonable amount to invest in this Sub-Fund depends on your personal financial situation. To determine this, you should take into account your personal assets and current requirements, and also your willingness to take risks or your wish to favour a prudent investment. You are also strongly advised to diversify your investments so as not to expose them solely to the risks of this Sub-Fund.

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees	Class I: Maximum of 3% of the NAV applicable per Share. Class F: 0%

Redemption fee	0%
Conversion fee	0%

COSTS PAYABLE BY THE SUB-FUND

Management fee	Class I: Maximum 0.39% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class F: None
Performance fee	None
Operating costs, including the Management Company fee	Class I: Up to 0.20% p.a. calculated daily and based on the net assets of the Sub-Fund with a minimum of EUR 50,000 p.a. The payment is due in the month following the end of each quarter. Class F: Up to 0.06% p.a. calculated daily and based on the net assets of the Sub-Fund. The payment is due in the month following the end of each quarter.
Other costs and fees	In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of the Sub-Fund	In Luxembourg the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is 0.01% for Class I and F Shares per annum (exemption of net assets invested in Luxembourg UCIs already subject to the subscription tax)
Taxation of Shareholders	For further information please refer to Section IX in the main part of the Prospectus.

SALE OF SHARES

Subscription, redemption and conversion	Subscription, redemption and conversion orders received in Luxembourg before 11 a.m. on a Valuation Day will be processed on the basis of the Net Asset Value of the Valuation Day after applying the fees provided for in the Prospectus. Subscriptions and redemptions must be paid up no later than two Business Days following the applicable Valuation Day. No minimum initial subscription amount is applicable for the F Classes of Shares. Minimum initial subscription amount for Class I Shares: EUR 100,000.
Share type/Class	The Shares are capitalisation Shares (I and F Classes of Shares).

	Shares are issued in dematerialised registered form. Shares must be fully paid up and are issued with no par value.
Valuation Day	Every Business Day in Luxembourg.
Publication of the NAV	The Net Asset Value can be consulted at the registered office of the Company.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tel: +352 2696 2030 Fax: +352 2696 9747 Contact: BP2S TA Call Centre
Request for documentation	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tel: +352 2696 2030 Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

OVERVIEW OF THE SUB-FUND

Investment Manager	LA FRANCAISE ASSET MANAGEMENT, Paris
ISIN code	LU1012601354 Class R USD - Capitalisation LU1043188942 Class I USD – Capitalisation
Listed on Luxembourg stock exchange	NO

INVESTMENT POLICY

Objectives of the Sub-Fund

The objective of the Sub-Fund is to outperform (net of fees) the US Treasury Note 2.625% 15/11/2020 [US912828PC88] maturing in 2020 over the recommended investment period of 7 years from the launch date of the Sub-Fund until 31 December 2020.

The Sub-Fund is a feeder fund of La Française Rendement Global 2020, as further described below (the "**Master-Fund**") and will at all times invest at least 85% of its assets in the Master-Fund.

The Sub-Fund may invest up to 15% of its assets in:
ancillary liquid assets
derivative instruments for hedging purposes only

The Sub-Fund will invest in the F share class of the Master-Fund.

Management objective of the Master-Fund

The objective of the Master-Fund F share class is to outperform (net of fees) the US Treasury Note 2.625% 15/11/2020 [US912828PC88] over the recommended investment period of 7 years from the launch date of the Master-Fund until 31 December 2020.

The profitability of the Master-Fund comes from the value of the accrued coupons of the bonds in the portfolio and the variations in capital due to the fluctuation in interest rates.

The management objective of the Master-Fund is based on the realisation of market assumptions set by its management company. It is not a guarantee of the Master-Fund's return or performance.

Benchmark indicator of the Master-Fund

The performance of the Sub-Fund and of the Master-Fund will not be equal due to, in particular, costs and expenses incurred by the Sub-Fund, the reference currency of the Sub-Fund differing from that of the Master-Fund and the potential investments in derivatives by the Sub-Fund.

Benchmark indicator of the Sub-Fund

The Master-Fund is not linked to a benchmark. The average time to maturity of the bond portfolio is around 7 years from the date it was launched. The average time to maturity drops each year to reach that of a monetary investment in 2020. The Master-Fund is exposed to credit risk.

For information purposes only, the Master-Fund's unitholder can refer to the performance of the US Treasury Note 2.625% 15/11/2020 [US912828PC88].

For information purposes: average actuarial yield as at 27 September 2013: 2.015%.

US Treasury Notes are long term fixed income securities issued by the US Treasury. US T-Notes maturity ranges from 10 to 30 years.

The Sub-Fund is not linked to a benchmark.

However, for information purposes only, the Shareholder may refer to the performance of the US Treasury Note 2.625% 15/11/2020 [US912828PC88].

General information about the Master Fund

The Master-Fund is a mutual fund ("FCP") incorporated in France. It was established on 28 September 2013 and is authorized and regulated by the "*Autorité des marchés financiers*" (the "AMF") as a UCITS.

The management company of the Master-Fund is La Française Asset Management, a simplified stock company incorporated under the French law, authorised on 1 July 1997 and regulated by the AMF as a management company (ref. number GP 97-76). The registered office of La Française Asset Management is 128, boulevard Raspail, 75006 Paris (France).

The Master-Fund's prospectus and financial statements are made available to the unitholders on the website of La Française Asset Management www.lafrancaise-gam.com or at its registered office. They are also available at the registered office of the Management Company.

Any information relating to the Master-Fund may be obtained from La Française Asset Management by contacting the Marketing Department by telephone +33(0)1 44 56 10 00 or by e-mail: contact-valeursmobilieres@lafrancaise-am.com.

The Master-Fund and the Sub-Fund will have taken appropriate measures to coordinate the frequency and timing of NAV calculation and publication in order to avoid market timing in their units/shares, as the case may be, preventing arbitrage opportunities.

The Master-Fund and the Sub-Fund have entered into an agreement providing for the Sub-Fund's access to information and documents about the Master-Fund.

Modified duration range

Between 6 and 0 (decreasing over time).

Investment policy of the Master Fund

To achieve the investment objective, the Master-Fund is invested in interest rate products: fixed or floating-rate bonds, convertible bonds, debt securities and money market instruments (Negotiable debt securities, Treasury bills, Treasury notes, commercial papers, certificates of deposit).

The investment strategy involves the discretionary management of a portfolio of bonds issued by private or public entities, maturing on or before 31 December 2020.

The strategy is not limited to bond carrying; the management company of the Master-Fund may use arbitrage in the event of new market opportunities or an increased risk of default by one of the issuers in the portfolio.

During the subscription period, the portfolio management will be active in order to manage overall exposure by means of risk management.

The management of the Master-Fund is mainly based on the management team's in-depth knowledge of the selected companies' balance sheets and the fundamentals of sovereign debt.

The portfolio is invested up to 100% in bonds and other negotiable debt securities with the following characteristics:

- Issued by public or private-sector bodies,
- Investment grade: rating above or equal to BBB- (Standard & Poor's) or Baa3 (Moody’s) [0-100%], high yield (speculative): rating lower than BBB- or Baa3 [0-100%], no rating [0-100%],
- All economic sectors,
- OECD countries (all zones): [0-100%], non-OECD countries (emerging countries) [0-30%].

Investment in convertible bonds is limited to maximum 30% of net assets.

There is an indirect equity risk due to the exposure to convertible bonds; the Master-Fund may be exposed to equities of all market caps and all economic sectors up to maximum 10% of the net assets.

The Master-Fund will invest in securities denominated in euros and/or US dollars and/or pounds sterling. In so far as the securities are not denominated in euros, the Master-Fund will systematically hedge the exchange risk. There may however be a residual currency exchange risk due to imperfect hedging.
The selection of securities is based on a bottom-up approach and focuses on the financial situation, debt structure and cash

flow statements of issuers to avoid default situations. Moreover, issuers with high repayment rates and junior subordinated issues are preferred.

The Master-Fund may also invest up to 10% in shares or units of UCITS and/or other UCIs. The Master-Fund may invest in UCITS of the Management Company or a related company.
On an exceptional and temporary basis in the event of a significant number of redemption requests, the Master-Fund may borrow cash up to a limit of 10% of its net assets.

The Master-Fund will preferably use derivative instruments traded on regulated markets but reserves the right to enter into OTC contracts where these contracts are better suited to the investment objective or offer lower trading costs.

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

The Master-Fund may hedge and/or expose the portfolio via derivatives instruments such as futures, forwards, options, rate swaps, currency swaps, foreign exchange forwards, Credit Default Swaps (CDS on indices or CDS on single underlying asset options), Non Deliverable Forward. The Master-Fund may mainly intervene on interest rate and/or currency futures markets in order to hedge and/or expose the portfolio to interest rate and credit risk, equities and to hedge exchange rate risk.
The Master-Fund may trade in any futures or options as long as their underlying assets have a direct or correlated financial relationship with a portfolio asset, used for both hedging and exposure of the portfolio.

OTC transaction counterparties will be first-class financial entities domiciled in OECD Member States.

These counterparties do not have discretionary decision-making powers over the management of the assets underlying the derivative financial instruments.

The securities received as collateral will be government bonds and/or cash.

The Master-Fund may invest in securities with embedded derivatives (such as convertible bonds, warrants, EMTN) in order to hedge and/or expose the portfolio to interest rates (indices), equity and credit risk.

The Master-Fund reserves the right to make deposits of up to 10% in order to manage its cash flow.

The Master-Fund reserves the right to temporarily borrow cash up to a limit of 10% of its net assets.

Taking into account the investment strategy implemented, the Master-Fund's risk profile is strongly tied to the selection of speculative securities which may represent up to 100% of the assets and therefore include default risk. The Master-Fund's risk profile varies over time; the exposure to different risk factors gradually decreases as the investment period approaches its maturity.

As the Master-Fund approaches maturity and depending on the prevailing market conditions, its management company shall opt either to continue the investment strategy, merge with another UCITS or liquidate the Master-Fund, subject to the AMF's approval.

Master Fund Subscription Period: The Master Fund shall accept no subscription after 30 September 2014 at 11:00 a.m. (the "Master Fund Subscription Period"). Consequently, as a feeder fund of the Master-Fund, no subscriptions will be accepted in the Sub-Fund after 29 September 2014 at 16:00 p.m.

Reference currency of the Sub-Fund

USD

Risk profile of the Sub-Fund / Master-Fund

As a feeder fund of the Master-Fund, the Sub-Fund will be subject to the same risks incurred at the level of the Master-Fund as described below:

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

Discretionary risk: The discretionary management style applied to the Master-Fund is based on the selection of securities and interest rate market expectations. There is a risk that the Master-Fund may not be invested at all times in the best-performing securities. The Master-Fund's performance may therefore be lower than the investment objective. In addition, the net asset value of the Master-Fund may have a negative performance.

Interest-rate risk: The Master-Fund is subject to interest-rate risk on European and international markets. The interest rate risk is the risk that the value of the Master-Fund's investments decreases if interest rates rise. Thus, when interest rates rise, the net asset value of the Master-Fund may fall.

Credit risk relating to issuers of debt securities: These risks may arise from a downgrading of the credit rating of an issuer of debt securities, which could decrease the Net Asset Value.

Default risk relating to issuers of debt securities: The default risk is the risk related to solvency of the entity which issued the securities. This risk is even greater should the Master-Fund invest in speculative or unrated securities which could lead to an increased level of risk of the net asset value of the Master-Fund decreasing and a loss of capital.

Risk associated with investments in (speculative) high-yield securities: This Master-Fund should be considered speculative. It is aimed specifically at investors who are aware of the risks inherent to investing in securities with a low or non-existent rating. These securities are classed as "speculative" and have a higher risk of default; they are likely to suffer higher and/or more frequent variations in valuations and are not always sufficiently liquid to be sold at all times at the best price. The value of the Master-Fund may therefore be lower when the value of these securities in the portfolio falls.

Risk arising from investing in non-OECD countries (emerging countries): The Master-Fund may be exposed up to 30% in non-OECD countries. Market risk is amplified by any investment in non-OECD countries where upward and downward market movements may be stronger and more sudden than on major international markets.

Investing in non-OECD countries involves a high degree of risk due to the political and economic situation of these markets, which may affect the value of Master-Fund's investments. Their operational and supervisory conditions may differ from the standards prevailing on the major international markets. In addition, investing on these markets entails risks due to the restrictions imposed on foreign investments, counterparties, the higher market volatility, the delay in settlements/deliveries as well as the limited liquidity of some lines contained in the Master-Fund's portfolio. The net asset value of the Master-Fund may fall as a consequence.

Counterparty risk: This is linked to the signature of financial derivatives traded on OTC markets: this is the risk that a counterparty may default in payment. Thus, the default of counterparty may lead to a decline in the Net Asset Value.

Risk associated with holding convertible bonds: The Master-Fund may be exposed up to 30% in convertible bonds. The value of convertible bonds depends to some extent on the evolution of the prices of their underlying equities. Changes in the underlying equities may lead to a fall in the Master-Fund's net asset value.
Exposure to equity risk shall be limited to maximum 10% of the net assets.

Exchange risk: The Master-Fund may invest in transferable securities denominated in currencies other than the reference currency and will always hedge the exchange risk. There may however be a residual currency exchange risk due to imperfect hedging. The net asset value of the Master-Fund may fall as a consequence.

The reference currency of the Sub-Fund and of the Master-Fund is different: the reference currency of the Sub-Fund is USD whereas the base currency of the Master-Fund is EUR.

Risk management method of the Master-Fund

Approach using the VaR method
The Master-Fund uses a risk management process which makes it possible to evaluate the exposure of the Master-Fund to market, liquidity and counterparty risk, as well as to all other forms of risk which are relevant, including operational risk.

Calculation of overall exposure
Within the context of the risk management procedure, the Master-Fund's overall exposure is measured and checked in accordance with the absolute value-at-risk (VaR) method.

In financial mathematics and in financial risk management, the value at risk is a measure predominantly used for risk of loss on a particular portfolio of financial assets.

The VaR is calculated with a unilateral confidence interval at 99% and for a retention period of 20 days.

The Master-Fund's VaR is limited to an absolute VaR calculated on the basis of the its net asset value and does not exceed a maximum VaR limit determined by the Management Company, while taking into account the Master-Fund's investment policy and risk profile. The maximum limit is set at 20%.

The Master-Fund may use derivatives to generate overexposure and thus expose the level of its net assets. Depending on the direction of its transactions, the effect of decreases or increases in the derivative's underlying assets may be magnified, leading to a larger decrease or increase in the net asset value of the Master-Fund.

The average leverage of the Master Fund, under normal market conditions, calculated as the sum of the notional of the financial derivative instruments used, may not exceed 100% of the Master Fund's net asset value.

This disclosed expected level of leverage is not intended to be an additional exposure limit for the Master-Fund.

Risk Management method of the Sub-Fund

Commitment approach.

Investor profile

Investment horizon: until 31 December 2020

The Sub-Fund is aimed at investors seeking to invest in bonds with a minimum investment horizon up until 31 December 2020.

Subscribers are informed that their main goal is to keep their investment up until 31 December 2020 in order to benefit from the best conditions regarding actuarial yield offered by the Sub-Fund.

	The reasonable amount to invest in this Sub-Fund depends on the investor's personal financial situation. To determine this, investors should take into account their personal assets and current requirements, and also their willingness to take risks or their wish to favour a prudent investment. Investors are also strongly advised to diversify their investments so as not to expose them solely to the risks of this Sub-Fund.

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees	Class R and I: Maximum of 4% of the NAV applicable per Share.
Redemption fee	0%
Conversion fee	0%

COSTS PAYABLE BY THE SUB-FUND

Management fee	Class R: Maximum 1.10% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class I (capitalisation or distribution): maximum 0.55% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.
Performance fee	None
Indirect fees (subscription, redemption and management fees)	No fees on subscriptions and redemptions Management fees: 0.05% of the Master-Fund share class
Operating costs, including the Management Company fee	Up to 0.20% p.a. calculated daily and based on the net assets of the Sub-Fund. The payment is due in the month following the end of each quarter.
Other costs and fees	In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of the Sub-Fund	In Luxembourg the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is: 0.05% for Class R Shares per annum (exemption of net assets invested in Luxembourg UCIs already subject to the subscription tax).
Taxation of Shareholders	For further information please refer to Section IX in the main part of the Prospectus.

SALE OF SHARES

Subscription, redemption and conversion	Subscription, redemption and conversion orders received in Luxembourg prior to 4:00. p.m. on the day preceding the Valuation Day will be processed on the basis of the Net Asset Value of the Valuation Day after applying the fees provided for in the Prospectus. Subscriptions and redemptions must be paid up no later than two Business Days following the applicable Valuation Day. The Sub-Fund will be closed to all Investors as of 29 September 2014 at 4:00 p.m. From this date, only subscriptions preceded by redemption on the same day for the same number of Shares, for the same Net Asset Value and by the same Shareholder may be executed. No minimum initial subscription amount is applicable for the R and D Classes of Shares.
Share type/Class	The R Shares are capitalisation Shares. A minimum initial subscription amount is applicable for the following Classes of Shares: Institutional Classes of Shares (capitalisation or distribution): USD 100,000 Shares are issued in dematerialised registered form. Shares must be fully paid up and are issued with no par value.
Initial subscription price	The Institutional Classes of Shares (capitalisation or distribution) issue Shares at an initial price of USD 1000,- per Share.
Valuation Day	Every Business Day in Luxembourg and in Paris. **Net asset value of the Master-Fund**: **In the interest of Shareholders, during the subscription period up until 30 September 2014, the Master-Fund will be valued at the ask price; beyond this period ending on 30 September 2014, the Master-Fund will be valued at the bid price.**
Publication of the NAV	The Net Asset Value can be consulted at the registered office of the Company.
Initial subscription price	LU1012601354 Class R – Capitalisation - USD: USD 100,- LU1043188942 Class I USD – Capitalisation: USD 1000,-

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tel: +352 2696 2030 Fax: +352 2696 9747 Contact: BP2S TA Call Centre
Request for documentation	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tel: +352 2696 2030 Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

OVERVIEW OF THE SUB-FUND

Investment Manager	LA FRANÇAISE ASSET MANAGEMENT, Paris
ISIN code	LU1119873195 Class R EUR - Capitalisation LU1119873351 Class I EUR - Capitalisation
Listed on Luxembourg stock exchange	NO

INVESTMENT POLICY

Objectives of the Sub-Fund	The objective of the Sub-Fund is to outperform (net of fees) the capitalised 1 month Euribor index + 3.50% over the recommended investment period of 2 years. The Sub-Fund aims for a maximum target volatility of 10% under normal market conditions. The Sub-Fund is a feeder fund of La Française Allocation, as further described below (the “Master-Fund”) and will at all times invest at least 85% of its assets in the Master-Fund. The Sub-Fund may invest up to 15% of its assets in ancillary liquid assets. The Sub-Fund will invest in the F unit class of the Master-Fund.
Management objective of the Master-Fund	The objective of the Master-Fund F unit class is to outperform (net of fees) the capitalised 1 month Euribor index + 3.50% over the recommended investment period of 2 years. The Master-Fund aims for a maximum target volatility of 10% under normal market conditions. The performance of the Sub-Fund and of the Master-Fund will not be equal due to, in particular, costs and expenses incurred by the Sub-Fund.
Benchmark indicator of the Master-Fund	The Master-Fund is not linked to a benchmark. For information purposes only, the Master-Fund’s unitholders may refer to the performance of the capitalised 1 month Euribor. The Euribor index is the European monetary market rate. It is equal to the arithmetic average of the rates offered on the European banking market for a set maturity (between 1 week and 12 months). It is published by the European Central Bank using listings supplied daily by 64 European banks.
Benchmark indicator of the Sub-Fund	The Sub-Fund is not linked to a benchmark.

However, for information purposes only, the Shareholder may refer to the performance of the capitalised 1 month Euribor.

General information about the Master Fund

The Master-Fund is a mutual fund ("FCP") incorporated in France. It was established on 31 July 2003 and is authorized and regulated by the "*Autorité des marchés financiers*" (the "AMF") as a UCITS.

The management company of the Master-Fund is La Française Asset Management, a simplified stock company incorporated under French law, authorised on 1 July 1997 and regulated by the AMF as a management company (ref. number GP 97-76). The registered office of La Française Asset Management is 128, boulevard Raspail, 75006 Paris (France).

The Master-Fund's prospectus and financial statements are made available to the unitholders on the website of La Française Asset Management at www.lafrancaise-gam.com or at its registered office. They are also available at the registered office of the Management Company.

Any information relating to the Master-Fund may be obtained from La Française Asset Management by contacting the Marketing Department by telephone +33(0)1 44 56 10 00 or by e-mail: contact-valeursmobilieres@lafrancaise-am.com.

The Master-Fund and the Sub-Fund will have taken appropriate measures to coordinate the frequency and timing of NAV calculation and publication in order to avoid market timing in their units/shares, as the case may be, preventing arbitrage opportunities.

The Master-Fund and the Sub-Fund have entered into an agreement providing for the Sub-Fund's access to information and documents about the Master-Fund. Such agreement will be made available to Shareholders free of charge upon request.

Investment policy of the Master-Fund

The Master-Fund aims for a long term performance through a discretionary allocation between different classes of assets (equities, fixed income, currencies) and geographical areas (mainly in OECD countries and up to 20% maximum in non-OECD countries, including certain non-OECD countries which may be qualified as emerging countries).

The Master-Fund's strategy is based on "Tactical Allocation" management and is reflected in the different asset classes and geographical regions mentioned above, by the following strategies:

- Long positions and/or short positions on underlying markets
- Long positions and/or short positions on the volatility of underlying markets
- Arbitrage positions between different underlying markets and types of underlying instruments.

This management is implemented as the opportunity arises, between asset classes, using the following processes:

1) Identifying investment strategies based on the relative value of financial asset prices compared to the growth of economic aggregates;
2) Choosing positions which offer the best return/risk pairing within each investment strategy;
3) Allocating risk between different investment strategies and positions based on market value.

Over time, the exposure of the portfolio may vary significantly between different asset classes and investment strategies. To illustrate this idea, here are two "extreme" examples of situations which the manager may encounter as part of their fund management:

- If the management process fails to generate any purchase or sale signal, the portfolio can be invested up to 100% in monetary investments at a given time.
- If the management process only identifies a single investment strategy bearing, for example, on European equity index futures, the portfolio risk may be concentrated at a given time on this sole strategy (in addition to monetary investments).

However, under normal conditions, the Master-Fund aims for 3 to 5 active strategies in the portfolio. These may take the form of long or short directional positions, or arbitrage positions, where the levels of commitment by asset class or on the relative weighting of a strategy in relation to the others cannot be pre-determined and where directional positions may not be stable over time.

With regard to the set of strategies, the Master-Fund is correlated to the financial markets. However, this correlation is low when each benchmark financial market of asset classes is considered separately.

In order to ensure the management objective, exposure ranges and sensitivity to the various markets have been pre-determined. Exposure ranges have been calculated to meet the limitation of the maximum Master-Fund's volatility (maximum 10% under normal market conditions).

The investment strategies will be mainly "top/down", stemming from macroeconomic analyses made by LA FRANÇAISE ASSET MANAGEMENT. They will be selected based on the following elements:

- Research by LA FRANÇAISE ASSET MANAGEMENT management teams on equities, fixed income, currencies and/or research received

from investment banks working with LA FRANÇAISE ASSET MANAGEMENT
- Macro-economic and financial studies carried out by external providers

The risk allocation between the various markets and strategies will be managed dynamically.

1. <u>Equity products</u>
The allocation covers all sectors of activity and all geographical regions with an emphasis on the United States, Europe and Japan.

These investments will be made solely via futures, options or, up to a limit of 10% via UCITS established under French law or the laws of another EU Member State, holding a “shares” classification.

The strategy will be used as the opportunity arises, and the net exposure of the Master-Fund to equity markets will be between -60% and +60%.

The positions, assessed at the discretion of the management company of the Master-Fund, are based both on the analysis of different macroeconomic indicators and on the analysis of market indicators, including:

• broad market indicators, including:
  - growth,
  - inflation,
  - external commerce,
  - public accounts; and,

• market indicators specific to the financial markets, such as:
  - capital flows
  - growth in company profits
  - the valuation of the different markets
  - the technical analysis of the markets and of the various risk indices.

This analysis will be enhanced by external analyses and financial publications.

These short, medium or long term positions will express upward and downward trends in the selected indices.

The management company of the Master-Fund may also take arbitrage positions using futures or options on the indices in order to benefit from opportunities between the various markets.

2. <u>Fixed income products</u>
The Master-Fund may be exposed to public bond markets, mainly on United States, European and Japanese markets.

These investments will be made via futures, options on bonds, indices and/or contracts on fixed rate, floating rate or index-linked bonds.

The modified duration of the portfolio ranges between -10 and +10.

The positions, assessed at the discretion of the manager of the Master-Fund, are based both on the analysis of different macroeconomic indicators and on the analysis of market indicators, such as:

• broad market indicators, including:
  - growth,
  - inflation,
  - external commerce,
  - public accounts; and,

• market indicators specific to the financial markets, such as:
  - capital flows
  - the valuation of the different markets
  - a technical analysis of the markets and of the various risk indices
  - an analysis of monetary policy forecasts

This analysis will also be enhanced by external analyses and financial publications.

These short, medium or long term positions will express upward and downward trends in the fixed income markets.
The manager of the Master-Fund may take arbitrage positions between the various points on the yield curve and intra-zone positions in order to benefit from opportunities on the selected bond markets.

These arbitrage positions will reflect opportunities detected between the various maturities on yield curves and among various countries with regard to the indicators given above. They will be implemented by futures and options on the relevant fixed rate bonds.

To manage its liquid assets, the Master-Fund may invest up to 100% of its net assets in debt instruments, except for commercial papers and short-term notes.

These investments shall be made in “investment grade” signatures (greater than or equal to BBB-), where the manager reserves the option to invest in lower signatures based on market opportunities, within a maximum limit of 10% of the net assets.

The allocation between private and public debt is not determined in advance and will be based on market opportunities.

The leverage effect shall not exceed the limits set out in section IV “Investment Rules” of the Prospectus.

3. Credit products

The Master-Fund may act on the credit market through the use of liquid derivative instruments, CDS (credit default swap) in indices such as the Markit iTraxx Europe and Markit iTraxx Europe Hivol indices.

These indices are based on “investment grade” credit (rating higher than or equal to BBB- on the Standard & Poor’s rating scale, or Baa3 on the Moody’s scale) or speculative credit (rating lower than BBB-) on European, United States and Japan markets, with no maturity restrictions.

These transactions, coming in the form of purchases or sales, shall be made for the purposes of exposure and/or hedging.
Modified duration range: +5 / -5

The leverage effect shall not exceed 200%.

4. Currency products

The Master-Fund may take directional and relative value positions mainly in the following currencies: USD (United States), EUR (eurozone countries), JPY (Japan), GBP (Great Britain), AUD (Australia), CHF (Switzerland), CAD (Canada).
The instruments used can be swaps, futures, options or NDFs (non deliverable forwards: forward foreign exchange transactions).

The Master-Fund's exposure to foreign currencies may represent up to 100% of the Master-Fund's assets.

5. Volatility

In order to respect the maximum 10% volatility objective of the portfolio, the Master-Fund may take directional and relative value positions on the implicit volatility of equity, fixed income and exchange rate markets detailed above. The strategies can be broken down into two categories:

- Directional strategies: these aim at exposing the portfolio to the volatility of a given market, when purchasing or selling positions. The resulting net “Vega” will be positive or negative.
- Relative value strategies: these aim at exploiting differences in the level of volatility from one market to another, independently of the general direction of these markets, thanks to buy or sell positions taken simultaneously. The resulting net Vega for a “relative value” strategy will be close to 0. These investments are made through futures on implicit volatility and on options markets.

The Master-Fund can invest in implicit volatilities in 3 asset classes (equities, fixed income, currency) across a Vega range between -0.5 and +0.5.

The volatility strategy does not play a substantial role as a driver for performance within the Master-Fund's strategy. Exposure to volatility may not exceed 5% of the Master-Fund's maximum risk budget.

The Master-Fund will preferably invest in derivative instruments traded on French or foreign regulated markets but reserves the right to enter into OTC contracts where these contracts are better suited to the investment objective or offer lower trading costs.

The manager of the Master-Fund may thus take positions in order to gain exposure and/or hedge the portfolio using derivatives on the equities markets (futures, options), on fixed income markets (rate swaps, futures rates and options), and on currency markets (forex swaps, forward exchange contracts, spot, futures and options).

The Master-Fund may also trade futures, options and swaps. Each derivative instrument addresses a specific hedging, arbitrage or exposure strategy to:

(i) hedge the entire portfolio or certain classes of assets held within it against equity market risks, interest rate risks or currency risks,
(ii) synthetically rebuild specific assets, or
(iii) increase the Master-Fund's exposure to risks in the equity market, interest rate or currency, in order to achieve the management objective.

In addition, the Master-Fund may enter into temporary purchase transactions and reverse repurchase transactions (also known as "repos") in order to:

(i) ensure the investment of the cash available (reverse repo),
(ii) optimise the performance of the portfolio (securities lending),
(iii) establish an arbitrage position designed to profit from a widening rate spread.

Investors in eurozone countries are exposed to currency risks.
The Master-Fund may trade in futures, options, CDS, swaps on major indices of equity, fixed income, credit and foreign exchange markets.

Efficient portfolio management techniques:

OTC transaction counterparties will be first-class financial entities domiciled in OECD Member States.

These counterparties do not have discretionary decision-making powers over the management of the assets underlying the derivative financial instruments.

The securities received as collateral may be:

- Cash
- Securities issued by OECD Member States
- Monetary UCITS and/or UCIs

Non-cash collateral received should not be sold, re-invested or pledged.

In the context of efficient portfolio management techniques, the Master-Fund will receive no non-cash collateral.

Cash collateral received should only be:

- Placed on deposit with entities whose headquarters are located in OECD Member State or other countries subject to similar prudential rules;
- Invested in high-quality government bonds;
- Invested in short-term money market funds as defined in the *ESMA Guidelines on a Common*

Definition of European Money Markets Funds.

The Master-Fund may also invest up to 10% in shares or units of UCITS and/or other UCIs. The Master-Fund may invest in UCITS managed by the management company or a related company.

Embedded derivatives: none

The Master-Fund reserves the right to make deposits of up to 10% in order to manage its cash flow.

The Master-Fund reserves the right to temporarily borrow cash up to a limit of 10% of its net assets.

These transactions may be entered into with companies linked to the Investment Manager.

Fee structure of the Master-Fund

Performance fee: Up to 20% maximum of the positive difference between the performance of the Master-Fund and the performance of the capitalised 1-month Euribor index + 3.50%. The total amount of the performance fee is set at an upper limit of 2% of the average net asset of the Master-Fund during the reference period.

Transaction fees:

- Shares: 0.40% (with a minimum of EUR 120)
- Convertible obligations < 5 years: 0.06%
- Convertible obligations > 5 years: 0.24%

- Other obligations: 0.024% (with a minimum of EUR 100)
- Monetary instruments: 0.012% (with a minimum of EUR 100)
- Swaps: EUR 300 / Foreign exchange forwards: EUR 150
- Spot foreign exchange: EUR 50
- UCIs: EUR 15
- Futures: EUR 6 / Options: EUR 2.5

Reference currency

EUR

Risk profile of the Sub-Fund / Master-Fund

As a feeder fund of the Master-Fund, the Sub-Fund will be subject to the same risks incurred at the level of the Master-Fund as described below:

Risk of capital loss: Investors are informed that their capital is not guaranteed and may therefore not be returned to them.

Discretionary risk: The discretionary management style applied to the Master-Fund is based on the selection of securities and interest rate market expectations. There is a risk that the Master-Fund may not be invested at all times in the best-performing securities or markets. The Master-Fund's performance may therefore be lower than the investment objective. In addition, the net asset value of the Master-Fund may have a negative performance.

Equity market risk: The Master-Fund is exposed to the equity markets. Variations in share prices could have a negative impact on the net asset value of the Master-Fund: a movement in the price of the shares in the opposite direction to the positions taken could bring about a fall in the net asset value. The Master-Fund will therefore be subject to both the rises and falls of the equities markets in line with the positions taken.
The Master-Fund's exposure to the equities markets is between -60% and +60% of its assets.

Interest-rate risk: The Master-Fund is subject to interest-rate risk on French and foreign markets. Variations in interest rates could have a negative impact on the net asset value of the Master-Fund: a movement in the interest rate in the opposite direction to the positions taken could bring about a fall in the net asset value. The Master-Fund will therefore be subject to both rises and falls in interest rates in line with the positions taken. The modified duration of the portfolio ranges between -10 and +10.

If the Master-Fund's modified duration is positive and interest rates increase, then the net asset value will fall. If the modified duration is negative and interest rates fall, then the net asset value will fall.

Foreign exchange risk: The Master-Fund is subject to foreign exchange risk as it may invest in transferable securities denominated in currencies other than the reference currency. This is the risk of a fall in the investment currencies compared with the portfolio's reference currency, the euro. Depending on the direction of the Master-Fund's transactions, the fall (in the case of purchases) or the rise (in the case of sales) of a currency compared with the euro may bring about a fall in the net asset value.

The Master-Fund's exposure to foreign currencies may represent up to 100% of its assets.

Risk arising from arbitrage transactions: Arbitrage is a technique which consists of benefiting from the price differences anticipated between markets and/or sectors and/or currencies and/or instruments. In the event of unfavourable trends in these arbitrages (rise in selling transactions and/or fall in buying transactions), the valuation of the strategy declines and the net asset value of the Master-Fund may fall significantly.

Volatility risk: Volatility risk is the risk of a fall in the net asset value caused by a rise or fall in the volatility which is decorrelated from the performances of traditional paper securities markets. In case of an adverse movement in the volatility on the strategies implemented, the net asset value will suffer a fall.

If the Master-Fund is buying and the implicit volatility falls, then the net asset value of the Master-Fund will fall.

If the Master-Fund is selling and the implicit volatility increases, then the net asset value of the Master-Fund will fall.

Risk arising from investing in non-OECD countries (emerging countries): The Master-Fund may be exposed up to 20% in non-OECD countries. Market risk is amplified by any investment in non-OECD countries where upward and downward market movements may be stronger and more sudden than on major international markets.

Investing in non-OECD countries involves a high degree of risk due to the political and economic situation of these markets, which may affect the value of Master-Fund's investments. Their operational and supervisory conditions may differ from the standards prevailing on the major international markets. In addition, investing on these markets entails risks due to the restrictions imposed on foreign investments, counterparties, the higher market volatility, the delay in settlements/deliveries as well as the limited liquidity of some lines contained in the Master-Fund's portfolio. The net asset value of the Master-Fund may fall as a consequence.

Risk arising from overexposure: The Master-Fund may use financial futures instruments (derivatives) to generate overexposure and thus expose the Master-Fund beyond the level of its net assets. Depending on the direction of the Master-Fund's transactions, the effect of the fall (in the case of purchase of exposure) or of the rise of the underlying of the derivative (in the case of sale of exposure) may be amplified and therefore increase the fall of the net asset value of the Master-Fund.

Default risk relating to issuers of debt securities: Credit risk may arise from a deterioration of the credit rating or the defaulting of an issuer of debt securities. If an issuer's credit rating is downgraded, the value of its assets falls. Consequently, this may cause the net asset value of the Master-Fund to fall. When investing in bonds there is a direct or indirect risk arising from the possible presence of securities of lower quality, known as high-yield securities. These high yield securities are classed as "speculative" and have a higher risk of default; they are likely to suffer higher and/or more frequent variations in valuations and are not always sufficiently liquid to be sold at all times at the best price. The value of the Master-Fund's units may therefore decrease if the value of these securities in the portfolio falls.

Counterparty risk: This is linked to the signature of financial derivatives traded on OTC markets: this is the risk that a counterparty may default in payment. Thus, the default of a counterparty may lead to a decline in the Net Asset Value.

Risk of potential conflicts of interest: The Master-Fund may engage in temporary securities purchase and sale transactions whose counterparty is a related company.

Risk management method of the Master-Fund

Approach using the VaR method
The Master-Fund uses a risk management process which makes it possible to evaluate the exposure of the Master-Fund to market, liquidity and counterparty risk, as well as to all other forms of risk which are relevant, including operational risk.

Calculation of global exposure
Within the context of the risk management procedure, the Master-Fund's overall exposure is measured and checked in accordance with the absolute value-at-risk (VaR) method.

In financial mathematics and in financial risk management, the VaR is a measure predominantly used for risk of loss on a particular portfolio of financial assets.

The VaR is calculated with a unilateral confidence interval at 99% and for a retention period of 20 days.

The Master-Fund's VaR is limited to an absolute VaR calculated on the basis of the net asset value and does not exceed a maximum VaR limit determined by the management company, while taking into account the Master-Fund's investment policy and risk profile. The maximum limit is set at 20%.

The Master-Fund may use derivatives to generate overexposure and thus expose the level of its net assets. Depending on the direction of its transactions, the effect of decreases or increases in the derivative's underlying assets may be magnified, leading to a larger decrease or increase in the net asset value of the Master-Fund.

The derivatives commitment approach is the method used to determine its rate of leverage. The expected leverage rate may not exceed 400% of the Master-Fund's net asset value. However, this level may be higher under exceptional market circumstances.

The leverage is the sum of the exposure calculated with the commitment approach without the use of netting or hedging. This disclosed expected level of leverage is not intended to be an additional exposure limit for the Master-Fund.

Risk Management method of the Sub-Fund	Commitment approach.
Investor profile	Investment horizon: 2 years The Sub-Fund is aimed at investors seeking a dynamic management with an exposure to non-OECD countries (20% maximum – certain non-OECD countries may be qualified as emerging countries) and to speculative securities. The reasonable amount to invest in this Sub-Fund depends on the investor's personal financial situation. To determine this, investors should take into account their personal assets and current requirements, and also their willingness to take risks or their wish to favour a prudent investment. Investors are also strongly advised to diversify their investments so as not to expose them solely to the risks of this Sub-Fund.

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees	Class R and I: Maximum of 4% of the NAV applicable per Share.
Redemption fee	0%
Conversion fee	0%

COSTS PAYABLE BY THE SUB-FUND

Management fee	Class R EUR - Capitalisation: up to 1.70% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class I EUR - Capitalisation: up to 1.14% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.

Performance fee	None
Indirect fees (subscription, redemption and management fees)	Management fees: 0.05% of the Master-Fund F unit class
Operating costs, including the Management Company fee	Up to 0.20% p.a. calculated daily and based on the net assets of the Sub-Fund with a minimum of EUR 30,000 p.a. The payment is due in the month following the end of each quarter.
Other costs and fees	In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of the Sub-Fund	In Luxembourg the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is: - 0.05% for Class R Shares, and - 0.01% for I Shares per annum (exemption of net assets invested in Luxembourg UCIs already subject to the subscription tax).
Taxation of Shareholders	For further information please refer to Section IX in the main part of the Prospectus.

SALE OF SHARES

Subscription, redemption and conversion	Subscription, redemption and conversion orders received in Luxembourg prior to 4.00 p.m. on the day preceding the Valuation Day will be processed on the basis of the Net Asset Value of the Valuation Day after applying the fees provided for in the Prospectus. Subscriptions and redemptions must be paid up no later than two Business Days following the applicable Valuation Day. Minimum initial subscription amount: Class R EUR - Capitalisation – none Class I EUR - Capitalisation – EUR 150,000
Share type/Class	The Shares are capitalisation Shares (R and I Classes of Shares) Shares are issued in dematerialised registered form Shares must be fully paid up and are issued with no par value.
Valuation Day	Every Business Day in Luxembourg and in Paris.
Publication of the NAV	The Net Asset Value can be consulted at the registered office of the Company.

Initial subscription price	Class R EUR - Capitalisation – EUR 100 Class I EUR - Capitalisation – EUR 1,000
Initial subscription period	From Monday 1 December 2014 until Friday 5 December 2014 (included).

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tel: +352 2696 2030 Fax: +352 2696 9747 Contact: BP2S TA Call Centre
Request for documentation	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tel: +352 2696 2030 Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

OVERVIEW OF THE SUB-FUND

Investment Manager	LA FRANÇAISE FORUM SECURITIES (UK) LIMITED, London
ISIN code	LU1013051393 Class R Euro – Distribution LU1013051559 Class R Euro – Capitalisation LU1013051716 Class R USD – Distribution LU1013051989 Class R USD – Capitalisation LU1132342533 Class R USD Hedged – Distribution LU1132342616 Class R USD Hedged – Capitalisation LU1013052102 Class I Euro – Distribution LU1013052367 Class I Euro – Capitalisation LU1013052524 Class I USD – Distribution LU1013052870 Class I USD – Capitalisation LU1132342707 Class I USD Hedged – Distribution LU1132342889 Class I USD Hedged – Capitalisation LU1013053092 Class LatAm A USD – Distribution LU1013053258 Class LatAm C USD – Capitalisation LU1132342962 Class LatAm A USD Hedged – Distribution LU1132343002 Class LatAm C USD Hedged – Capitalisation LU1190462892 Class F Euro – Capitalisation LU1252380172 Class I - SEK Hedged – Capitalisation LU1252380255 Class I - SEK Hedged – Distribution LU1252380339 Class J - JPY Hedged – Capitalisation LU1252380412 Class J - JPY Hedged – Distribution LU1252380503 Class J - USD Hedged – Capitalisation LU1252380685 Class J - USD Hedged – Distribution LU1252380768 Class T - GBP Hedged – Capitalisation LU1252380842 Class T - GBP Hedged – Distribution LU1327853765 Class I – CHF – Capitalisation
Listed on Luxembourg stock exchange	NO

INVESTMENT POLICY

Objectives of the Sub-Fund until 2 July 2017	The objective of the Sub-Fund is to achieve high-dividend income and capital appreciation via investments in equity securities of closed-ended REITs[2] and other real estate companies in developed and emerging markets. These investments are supported by strong fundamental analysis of return and risk and selected from an independent universe assembled by the Investment Manager of about of about 700 global real estate companies. It is intended to achieve an outperformance of the dividend yield offered by the benchmark (as indicated below) on annual basis.

[2] In compliance with the provisions of article 41 (1) of the 2010 Law.

Objectives of the Sub-Fund as from 3 July 2017

The objective of the Sub-Fund is to deliver an annualized 5% net return over a 5 years period with significantly lower volatility than the global real estate securities benchmark, FTSE EPRA/NAREIT Developed TR in EUR.

Investment policy until 2 July 2017

The Sub-Fund concentrates its investments in a portfolio of equity investments in issuers that are primarily engaged in or related to the real estate industry globally, including developed and emerging markets. An issuer is primarily engaged to the real estate industry if it derives at least 50% of its gross revenues or net profits from the ownership, development, construction, financing, management or sale of commercial, industrial or residential real estate or interests therein or has 50% of its assets in real estate or real estate interests. Real estate industry companies may include real estate investment trusts ("**REITs**"), tax transparent real estate companies or real estate operating companies whose businesses and services are related to the real estate industry. The Sub-Fund primarily buys common stock (minimum 60% exposure) but can also invest in preferred stock (maximum 10 %) or debt securities (maximum 10%) of issuers in the real estate industry, subject to risk diversification requirements. The Sub-Fund uses, as a reference, the FTSE EPRA/NAREIT Developed Total Return index (used for reference only, given that the Sub-Fund is not benchmark-aware or managed towards a certain tracking error). The Bloomberg ticker for the benchmark is RNGL Index in EUR).

The Sub-Fund may invest in the following geographical regions:

- Asia/Pacific;
- Americas; and
- Europe, Middle East and Africa.

The sectorial diversification in any one sector shall be decided by the Investment Manager from time to time, in the best interest of the Sub-Fund and its Shareholders. The information with regards to the sectorial diversification shall be available at the registered office of the Company.

The Sub-Fund may invest no more than 10% in the money market instruments of any single issuer, bank certificates of deposit and bankers' acceptances, provided that it may invest up to 30% in investment grade government securities. Moreover, the Sub-Fund may acquire no more than:

(i) 10% of the non-voting shares of the same issuer;
(ii) 10% of the debt securities of the same issuer; and
(iii) 10% of the money market instrument of any single issuer.

The Sub-Fund can also invest up to 10% of its net assets in shares or units of UCITS and/or other UCIs. However, the Sub-Fund may acquire no more than:

(i) 15% of the shares/units of an exchange- traded fund, and
(ii) 25% of the shares/units of any other type of UCITS or UCI.

The Sub-Fund may hold liquid assets on an ancillary basis. The Sub-Fund may, with the aim of investing its liquid assets, invest in monetary UCIs or UCIs invested in:

1) Debt securities whose final or residual maturity term, taking into account the financial instruments associated therewith, does not exceed 12 months, or

2) Debt securities for which the rate is adapted, taking into account the financial instruments associated therewith, at least once a year.

Investment policy as from 3 July 2017

The Investment Manager uses fundamental analysis to select, within a universe of approximately 600 real estate companies, securities that appear to have superior growth and earnings prospects.

The Sub-Fund invests mainly in equities of real estate investment trusts (REITs) which qualify as transferable security within the meaning of the 2010 Law and applicable regulations and other real estate companies from anywhere in the world, including emerging markets.

Specifically, the Sub-Fund invests at least 60% of net assets in equities and equity-related securities issued by companies, including REITs, that generate at least 50% of gross revenues or net profits from, or have 50% of their assets in, real estate or related activities. Examples of these activities include owning, developing, building, financing, managing and marketing real estate, whether commercial, industrial or residential.

The Sub-Fund may invest in, or be exposed to, the following investments up to the percentage of net assets indicated:

- preferred stocks: 10%
- bonds from issuers in the real estate sector: 10%
- money market instruments: 10%
- UCITS/other UCIs: 10%

The Sub-Fund may also invest in credit notes.

The Sub-Fund may hold cash and cash equivalents on an ancillary basis. These may include monetary UCIs or UCIs whose investment’s overall weighted maturity or rate reset frequency does not exceed 12 months.

Use of derivatives

The Sub-Fund may, within the limits laid down in the Prospectus, use techniques and instruments of financial futures markets for the purposes of proper portfolio management or hedging, given that these techniques and instruments will only be used to the extent that they do not negatively affect the integrity of the Sub-Fund's investment policy. The Sub-Fund may hedge positions in foreign currencies, however its Classes of Shares remain unhedged. The positions in foreign currencies will be hedged through FX forwards.

Direct and indirect operational costs/fees payable to BNP Paribas Securities Services, Luxembourg Branch arising from efficient portfolio management techniques that may be deducted from the revenue delivered to the Sub-Fund are agreed between the Company and BNP Paribas Securities Services, Luxembourg Branch and are available to Investors at the registered office of the Company and of the Management Company upon request. They are also disclosed in the annual and semi-annual report.

These costs and fees shall not include hidden revenue.

Reference currency

EUR

Risk profile

Real Estate Related Securities Risk: The main risk of real estate related securities is that the value of the underlying real estate may go down. Many factors may affect real estate values. These factors include both the general and local economies, vacancy rates, tenant bankruptcies, the ability to re-lease space under expiring leases on attractive terms, the amount of new construction in a particular area, the laws and regulations (including zoning, environmental and tax laws) affecting real estate and the costs of owning, maintaining and improving real estate. The availability of mortgage financing and changes in interest rates also affect real estate values. If the Sub-Fund's real estate related investments own real estate assets which are concentrated in one geographic area or in one property type, the Sub-Fund will be particularly subject to the risks associated with that area or property type. Many issuers of real estate related securities are highly leveraged, which increases the risk to holders of such securities. The value of the securities the Sub-Fund buys will not necessarily track the value of the underlying investments of the issuers of such securities.

Investments in small and mid caps: Companies with small or mid-size market capitalizations will normally have more limited product lines, markets and financial resources and will be dependent upon a more limited management group than larger capitalized companies. In addition, it is more difficult to get information on smaller companies, which tend to be less well known, have shorter operating histories, do not have significant ownership by large investors and are followed by relatively few securities analysts.

Liquidity Risk: the risk that certain securities may be difficult or impossible to sell at the time that the seller would like or at the price that the seller believes the security is currently worth.

Exchange risk: the Sub-Fund may invest in transferable securities denominated in currencies other than the reference currency. If a currency falls against the euro, the Net Asset Value may fall. There is a residual foreign exchange risk due to imperfect hedging.

In connection with such exchange risk hedging, the Sub-Fund may employ hedging techniques designed to reduce the risks of adverse movements in currency exchange rates. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks. Thus, while the Sub-Fund may benefit from the use of these hedging mechanisms, unanticipated changes in currency exchange rates may result in a poorer overall performance for the Sub-Fund than if it had not entered into such hedging transactions.

Counterparty risk: the Sub-Fund may enter into financial derivative transactions and into repurchase transactions and other contracts that entail a credit exposure to certain counterparties. To the extent that a counterparty defaults on its obligation, the Sub-Fund may experience a decline in the value of its portfolio.

Conflicts of interest: the conflicts of interest that may arise from BNP Paribas Securities Services, Luxembourg Branch providing services in the context of efficient portfolio management techniques are described in the general part of this Prospectus under Chapter III. Investment Policies, 4. Risk Warnings, Section B. Conflicts of Interest, sub-section Interested Dealings.

Credit risk relating to issuers of debt securities: these risks may stem from an unexpected default risk or a downgrade in the rating of an issuer of a debt security. If an issuer’s credit rating is downgraded, the value of its assets falls. Consequently, this may cause the Net Asset Value of the Sub-Fund to fall.

Discretionary risk: the discretionary management style applied to the Sub-Fund is based on the selection of securities and on expectations regarding the markets of the Sub-Fund's assets. There is a risk that the Sub-Fund may not be invested at all times in the best-performing securities. The Sub-Fund's performance may therefore be lower than the management objective. In addition, the Net Asset Value of the Sub-Fund may have a negative performance.

Risk of capital loss: as the Sub-Fund’s capital is not guaranteed, the subscriber may lose all or part of his initial investment.

Interest-rate risk: the Sub-Fund is subject to interest-rate risk.

The interest-rate risk is the risk that the value of the Sub-Fund's investment may decrease if interest rates rise.

The Sub-Fund may be exposed to short term negative yields in adverse market conditions.

Thus, when interest rates rise, the Net Asset Value of the Sub-Fund may fall.

Non-Diversification Risk: The Sub-Fund is a non-diversified fund in terms of asset class but not in terms of diversification of risk per investments. Because the Sub-Fund may invest in securities in the same asset class, it may be more exposed to the risks associated with and developments affecting such individual asset class.

Risk management method

The Investment Manager deploys ex-ante and ex-post risk assessment.

The Sub-Fund will use the commitment approach.

The commitment approach is generally calculated by converting the derivative contract into the equivalent position in the underlying asset embedded in that derivative, based on the market value of the underlying. Purchased and sold financial derivative instruments may be netted in accordance to the CESR's guidelines 10/788 in order to reduce global exposure. Beyond these netting rules and after application of hedging rules, it is not allowed to have a negative commitment on a financial derivative instrument to reduce overall exposure and as such, risk-exposure numbers will always be positive or zero.

Leverage effect

Subject to discretion of the portfolio manager, up to the maximum permitted under applicable law and regulations, provided that the intended maximum shall range around 100%.

The Sub-Fund may use derivatives to generate overexposure and thus expose the Sub-Fund beyond the level of its net assets. Depending on the direction of the Sub-Fund's transactions, the effect of decreases or increases in the derivative's underlying assets may be magnified, leading to a larger decrease or increase in the Net Asset Value of the Sub-Fund.

Investor profile

Investment horizon: > 5 years

The Sub-Fund's investment policy is suitable for Investors seeking global liquid real estate securities exposure, with both dividend yield and capital appreciation components.
The reasonable amount to invest in this Sub-Fund depends on each Investor's personal financial situation. To determine this, each Investor should take into account its personal assets and current requirements, and also its willingness to take risks or its wish to favour a prudent investment. Investors are also strongly advised to diversify their investments so as not to expose them solely to the risks of this Sub-Fund.

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees

up to 5.00%
Class F: 0%

Redemption fee 0%

Conversion fee 0%

COSTS PAYABLE BY THE SUB-FUND

Management fee

Retail Classes of Shares:
Class R Euro - Distribution
Class R Euro - Capitalisation
Class R USD - Distribution
Class R USD - Capitalisation
Class R USD Hedged - Distribution
Class R USD Hedged - Capitalisation

Up to 2.00% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.

Class T GBP Hedged - Capitalisation
Class T GBP Hedged - Distribution

Up to 1.30% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.

Institutional Classes of Shares:
Class I Euro - Distribution
Class I Euro - Capitalisation
Class I USD - Distribution
Class I USD – Capitalisation
Class I USD Hedged- Distribution
Class I USD Hedged – Capitalisation
Class I SEK Hedged – Capitalisation
Class I SEK Hedged – Distribution
Class I CHF – Capitalisation

Up to 1.30% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.

Class LatAm A – Distribution
Class LatAm C – Capitalisation
Class LatAm A USD Hedged – Distribution
Class LatAm C USD Hedged – Capitalisation

Up to 2.00% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.

Class J JPY Hedged – Capitalisation
Class J JPY Hedged – Distribution
Class J USD Hedged – Capitalisation
Class J USD Hedged – Distribution

Up to 1.03% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.

LU1190462892 Class F Euro – Capitalisation

Up to 0.65% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter

Operating costs, including the Management Company fee

For all Classes of Shares (except Class F): Up to 0.45% calculated daily and based on the net assets of the Sub-Fund. The payment is due in the month following the end of each quarter.

Class F: up to 0.25% calculated daily and based on the net assets of the Sub-Fund including the Currency Hedging Fee of 0.05% p.a. The payment is due in the month following the end of each quarter.

Other costs and fees

> In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of the Sub-Fund

In Luxembourg the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is:

0.05% for the Retail Classes of Shares, and
0.01% for the Institutional Classes of Shares and Class F per annum (exemption of net assets invested in UCIs already subject to the subscription tax).

Taxation of Shareholders

For further information please refer to Section IX in the main part of the Prospectus.

SALE OF SHARES

Subscription, redemption and conversion

Subscription, redemption and conversion orders received in Luxembourg before 11 a.m. on a Business Day in Luxembourg prior to a Valuation Day will be treated on the basis of the Net Asset Value of the Valuation Day after applying the fees provided for in the Prospectus. Subscriptions and redemptions must be paid up no later than three Business Days following the applicable Valuation Day.

Share type/class

The Shares are either capitalisation or income distributing Shares, as indicated above.

Minimum initial subscription amount:

Class R EUR – Capitalisation: None

	Class R EUR – Distribution: None Class R USD – Capitalisation: None Class R USD – Distribution: None Class R USD Hedged – Capitalisation: None Class R USD Hedged – Distribution: None Class I Euro – Distribution: EUR 50,000 Class I Euro – Capitalisation: EUR 50,000 Class I USD – Distribution: USD 50,000 Class I USD – Capitalisation: USD 50,000 Class I USD Hedged – Distribution: USD 50,000 Class I USD Hedged – Capitalisation: USD 50,000 Class I SEK Hedged – Capitalisation: SEK 500 000 Class I SEK Hedged – Distribution: SEK 500 000 Class I CHF – Capitalisation: CHF 50,000 Class J JPY Hedged – Capitalisation: JPY 500 000 000 Class J JPY Hedged – Distribution: JPY 500 000 000 Class J USD Hedged – Capitalisation: USD 4 000 000 Class J USD Hedged – Distribution: USD 4 000 000 Class T GBP Hedged- Capitalisation: GBP 5 000 000 Class T GBP Hedged- Distribution: GBP 5 000 000 Shares are issued in dematerialised registered form. Shares must be fully paid up and are issued with no par value.
Valuation Day	Every Business Day in Luxembourg.
Publication of the NAV	The Net Asset Value can be consulted at the registered office of the Company.
Initial subscription price	Class R Euro – Distribution: 100 EUR Class R Euro – Capitalisation: 100 EUR Class R USD – Distribution: 100 USD Class R USD – Capitalisation: 100 USD Class R USD Hedged – Distribution: 100 USD Class R USD Hedged – Capitalisation: 100 USD Class I Euro – Distribution: 100 EUR Class I Euro – Capitalisation: 100 EUR Class I USD – Distribution: 100 USD Class I USD – Capitalisation: 100 USD Class I USD Hedged – Distribution: 100 USD Class I USD Hedged – Capitalisation: 100 USD Class I CHF – Capitalisation: 100 CHF Class LatAm A USD – Distribution: 100 USD Class LatAm C USD – Capitalisation: 100 USD Class LatAm A USD Hedged – Distribution: 100 USD Class LatAm C USD Hedged – Capitalisation: 100 USD Class F Euro – Capitalisation: 100 EUR Class I SEK Hedged – Capitalisation: 1000 SEK Class I SEK Hedged – Distribution: 1000 SEK Class J JPY Hedged – Capitalisation: 10 000 JPY Class J JPY Hedged – Distribution: 10 000 JPY Class J USD Hedged – Capitalisation: 100 USD Class J USD Hedged – Distribution: 100 USD Class T GBP Hedged – Capitalisation: 100 GBP Class T GBP Hedged – Distribution: 100 GBP

Initial subscription period	The date on which the first subscription is received in the Sub-Fund for the relevant Class.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tél: +352 2696 2030 Fax: +352 2696 9747 Contact: BP2S TA Call Centre
Request for documentation	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tél: +352 2696 2030 Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

OVERVIEW OF THE SUB-FUND

Investment Manager	LA FRANÇAISE INFLECTION POINT, Paris
ISIN code	LU1190462546 Class S EUR - Capitalisation LU1190462629 Class I USD - Capitalisation LU1252381063 Class I EUR - Distribution LU1274896619 Class Partage - Green Cross EUR - Capitalisation LU1523323605 Class I EUR – Capitalisation LU1629338259 Class X EUR Capitalisation
Listed on Luxembourg stock exchange	NO

INVESTMENT POLICY

Objectives of the Sub-Fund until 2 July 2017

The Sub-Fund has three primary objectives:

- To take advantage of the growth potential of the international equity market including emerging market countries;
- To actively seek out and invest in companies delivering solutions to the climate change challenge including reducing carbon emissions;

To outperform, in the long term (5 years) the MSCI AC World Index Daily Net Total Return EUR (NDEEWNR Index) (for the Euro Classes of Shares) or the MSCI AC World Index Net Total Return USD (M1WD Index) (for the US dollars Classes of Shares) (net dividends reinvested).

Objectives of the Sub-Fund as from 3 July 2017

The management objective of the Sub-Fund is to achieve long-term capital growth.

Investment policy until 2 July 2017

The Sub-Fund will invest in international equities including emerging markets of all market capitalizations without geographical or sectoral predominance.

The Sub-Fund mainly invests in two different types of companies:

- "Best-in-class "large-cap companies which, while currently emitting significant levels of greenhouse gases, have superior "carbon – efficiency" and aim at zero carbon level though with no guaranty; that is, they produce less carbon dioxide or equivalent per dollar of EBITDA. Typically, such companies are already on a trajectory to make significant reductions in their emissions; and

- “Solution providers” those companies whose primary business activity is producing goods and services explicitly designed to reduce greenhouse gas emissions. These companies will typically, but not necessarily, be smaller and more focused.

The Sub-Fund may invest in listed equities or equivalent securities and/or subscription and allocation rights conferred by these equities.

The Investment Manager can invest in ADR (American Depositary Receipts) or GDR (Global Depositary Receipts) in order to ensure liquidity.

The overall exposure of the portfolio to equities including derivatives may represent at least 90% and is limited to 105% of the Sub-Fund’s net assets.

Equities are selected using a bottom-up approach, according to a proprietary financial scoring model and an extra-financial approach, to include the use of **ESG** indicators. This method enables the Investment Manager to understand all aspects of the overall strategy of the listed companies. The criteria used in the scoring of assets cross-cut both market and activity sectors and, as such, allows for a more pertinent analysis of the relative positioning and dynamics of the selected companies, both strategically and in the long-term.

For the purposes of asset scoring, the Investment Manager relies on quantitative and qualitative research and on analysis stemming from a strategic partnership within the Group La Française.

Following such initial analysis, the Investment Manager constructs the Sub-Fund’s portfolio, focusing on:

(i) the best scored assets and in accordance with collectively established guidelines generated throughout the investment process, and
(ii) an active management of a rather concentrated portfolio with a strict control of the risk profile including a systematic correlation/diversification risk analysis in order to reduce the overall risk of the portfolio.

The Investment Manager may substantially deviate from the benchmark, the MSCI AC World Index Daily Net Total Return EUR (NDEEWNR Index) (for the Euro Classes of Shares) or the MSCI AC World Index Net Total Return USD (M1WD Index) (for the US dollars Classes of Shares).

The Sub-Fund may invest in securities denominated in currencies other than the euro. Up to 100% of the net assets of the Sub-Fund may be exposed to foreign exchange risk.

The Sub-Fund can also invest up to 10% of its net assets in shares or units of UCITS and/or other UCIs.

The Sub-Fund may hold ancillary liquid assets. The Sub-Fund may, with the aim of investing its liquid assets invest up to 10% of its net assets in fixed income products (negotiable debt securities) issued by public or private sector entities having a rating of at least BBB- by Standard & Poor's or at least Baa3 by Moody's in all geographical areas.

The Sub-Fund may borrow up to 10% of its nets assets and may enter into temporary purchase transactions and reverse repurchase transactions (also known as "repos").

Investment policy as from 3 July 2017

The sub-fund invests mainly in international equities from anywhere in the world, including emerging markets.

Specifically, the sub-fund invests in equities and equity-related securities issued by large capitalisation companies in any sector that are "best-in-class". Investments may include American and global depositary receipts (ADRs and GDRs).

The Sub-Fund may invest in, or be exposed to, the following investments up to the percentage of net assets indicated:

- equities (including exposure from derivatives): 90% to 105%
- investment grade bonds: 10%
- UCITS/other UCIs: 10%

The Sub-Fund may hold cash and cash equivalents on an ancillary basis. These may include monetary UCIs or UCIs whose overall weighted maturity or rate reset frequency does not exceed 12 months.

The Sub-Fund's net exposure to non-EUR currencies may be up to 100% of net assets.

The Investment Manager focuses on companies that provide solutions to address climate change challenges, particularly companies that are on target to achieve significant reductions in greenhouse gases or who focus on products or services for such reductions. In selecting securities, the Investment Manager uses a proprietary financial and extra-financial scoring model as well as ESG indicators.

Use of derivatives

The Sub-Fund will preferably use derivative instruments traded on regulated markets but reserves the right to enter into OTC contracts where these contracts are better suited to the investment objective or offer lower trading costs.

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

In this context, the Sub-Fund may hedge and/or expose the portfolio via derivatives instruments such as futures, options, equity swaps, currency swaps, foreign exchange forwards, non-deliverable forwards, indices, warrants in order to adjust the exposure of the portfolio or during specific variations periods.

Reference currency	EUR

Risk profile

The Net Asset Value of the Sub-Fund will depend on the market value of the stocks in the portfolio.
The value of the equities depends on the positive growth outlook and the market valuations of the equities in the portfolio:

- *Risk of capital loss*: as the Sub-Fund's capital is not guaranteed, the subscriber may lose all or part of his initial investment.

- *Discretionary risk*: the discretionary management style applied to the Sub-Fund is based on the selection of securities and on expectations regarding the markets of the Sub-Fund's assets. There is a risk that the Sub-Fund may not be invested at all times in the best-performing securities. The Sub-Fund's performance may therefore be lower than the management objective. In addition, the Net Asset Value of the Sub-Fund may have a negative performance.

- *Equity risk*: the risk linked to exposure to equity markets may lead to a fall in the Sub-Fund's Net Asset Value.

- *Currency risk:* the Sub-Fund may invest in securities denominated in a number of different currencies other than the base currency in which the Sub-Fund is denominated. Changes in foreign currency exchange rates may adversely affect the value of the Sub-Fund's investments.

- *Volatility risk:* Volatility risk is the risk of a fall in the Net Asset Value caused by a rise or fall in the volatility which is decorrelated from the performances of traditional paper securities markets. In case of an adverse movement in the volatility on the strategies implemented, the Net Asset Value will suffer a fall.

- *Financial derivative risk:* The Sub-Fund may enter into financial derivative transactions and into repurchase transactions and other contracts that entail a credit exposure to certain counterparties. To the extent that counterparty defaults on its obligation, the Sub-Fund may experience a decline in the value of its portfolio.

- *Liquidity risk* is the risk that certain securities may be difficult or impossible to sell at the time that the seller would like or at the price that the seller believes the security is currently worth.

- *Small Cap risk:* The Sub-Fund may be exposed to small caps. The trading volume on these stocks is lower and therefore upward and downward market movements may be more pronounced.

- *Emerging Country risk*: The Sub-Fund may be exposed to the markets of emerging countries. Investing in these markets involves a high degree of risk due to the political and economic situation of these markets, which may affect the value of the Sub-Fund's investments. Their operational and supervisory conditions may differ from the standards prevailing on the major international markets. In addition, investing on these markets entails risks due to the restrictions imposed on foreign investments, counterparties, the higher market volatility, the delay in settlements/deliveries as well as the limited liquidity of some lines contained in the Sub-Fund's portfolio. Consequently, the Net Asset Value of the Sub-Fund may fall.

- *Risk arising from overexposure:* The Sub-Fund may use financial futures instruments (derivatives) to generate overexposure and thus expose the Sub-Fund beyond the level of its net assets. Depending on the direction of the Sub-Fund's transactions, the effect of the fall (in the case of purchase of exposure) or of the rise of the underlying of the derivative (in the case of sale of exposure) may be amplified and therefore increase the fall of the Net Asset Value of the Sub-Fund.

- *Counterparty risk*: the Sub-Fund may enter into financial derivative transactions and into repurchase transactions and other contracts that entail a credit exposure to certain counterparties. To the extent that counterparty defaults on its obligation, the Sub-Fund may experience a decline in the value of its portfolio.

Risk management method — Commitment approach.

Leverage effect — The Sub-Fund will not use leverage.

Investor profile — Investment horizon: > 5 years

The Sub-Fund's investment policy is suitable for Investors seeking long-term capital gains and who are prepared to accept large fluctuations linked to the financial markets with the risk of loss which may be significant when markets experience prolonged periods of downturn. Given that the investment policy consists of investing in promising stocks with solid fundamentals, the correlation with the trends in large stock indices will not be absolute and the performance may diverge from the indices.

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees — Class I, S and X: Maximum of 3% of the NAV applicable per Share.
Class Partage - Green Cross: Maximum of 3% of the NAV applicable per Share.

Redemption fee — 0%

Conversion fee — 0%

COSTS PAYABLE BY THE SUB-FUND

Management fee	Class I: Maximum 1% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter Class S: Maximum 1% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter Class Partage - Green Cross: Maximum 1% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. La Française group agrees to pay 50% of the Sub-Fund fixed management fees to the Green Cross NGO. Class X: none
Performance fee	None
Operating costs, including the Management Company fee	All Share Classes (except Class X): up to 0.30% p.a., calculated daily and based on the net assets of the Sub-Fund with a minimum of EUR 30,000 p.a. The payment is due in the month following the end of each quarter. Class X: up to 0.16% p.a. calculated daily and based on the net assets of the Sub-Fund. The payment is due in the month following the end of each quarter.
Other costs and fees	In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of the Company	In Luxembourg the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is 0.01% per annum for Shares of Class I, S, X and Class Partage - Green Cross (exemption of net assets invested in Luxembourg UCIs already subject to the subscription tax).
Taxation of Shareholders	For further information please refer to Section IX in the main part of the Prospectus.

SALE OF SHARES

Subscription, redemption and conversion	Subscription, redemption and conversion orders received in Luxembourg before 11 a.m. on a Valuation Day will be treated on the basis of the Net Asset Value of the Valuation Day after applying the fees provided for in the Prospectus. Subscriptions and redemptions must be paid up no later than two Business Days following the applicable Valuation Day.

Share type/Class	Class I EUR Capitalisation Shares, Class I USD Capitalisation Shares, Class S EUR Capitalisation Shares and Class Partage - Green Cross - Capitalisation Shares are capitalisation Shares. Class I EUR Distribution Shares are distribution Shares. Class X EUR Capitalisation Shares are capitalisation Shares Shares are issued in dematerialised registered form. A minimum initial subscription amount is applicable for the following Classes of Shares: Class I Shares (Capitalisation or Distribution): USD 100,000 or EUR 100,000. Class S Shares: EUR 5,000,000. Class Partage - Green Cross Shares (Capitalisation): EUR 100,000. Class X Shares: EUR 30 000 000. Each subscription in Class X Shares shall be approved by the Board of Directors. Shares must be fully paid up and are issued with no par value.
Valuation Day	Every Business Day in Luxembourg.
Publication of the NAV	The Net Asset Value can be consulted at the registered office of the Company.
Initial subscription price	Class I Shares (Capitalisation or Distribution): USD 1,000 or EUR 1,000, respectively. Class Partage - Green Cross Shares (Capitalisation): EUR 1,000 Class X EUR Capitalisation: EUR 1,000
Initial subscription period	The date on which the first subscription is received in the Sub-Fund for the relevant Class.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tél: +352 2696 2030 Fax: +352 2696 9747 Contact: BP2S TA Call Centre
Request for documentation	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tél: +352 2696 2030 Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

OVERVIEW OF THE SUB-FUND

Investment Manager	JK CAPITAL MANAGEMENT Ltd. is a company incorporated in Hong Kong on 21 March 1996. Its corporate capital amounts to HK$ 11,385,799 as at 31 October 2010. Its registered office is at Suite 1101, Chinachem Tower, 34-37 Connaught Road Central, Hong Kong. The corporate object of the company is asset management and to advise on securities and on corporate finance. JK Capital Management Ltd is regulated by the SFC as an investment management company with registration number AEP547.
Investment Advisor	LA FRANCAISE ASSET MANAGEMENT, is a company incorporated under the laws of France and having its registered office at 128, boulevard Raspail, F-75006 Paris (France). The company was incorporated for an unlimited period on 13 October 1978 in the form of a *société par actions simplifiée*. The company is registered with the Trade and Companies Register in Paris under number B 314 024 019 and has been approved by the AMF as portfolio management company under the number GP 97-076. La Française Asset Management has been appointed to advise the Sub-Fund, in a capacity as Investment Advisor, with regard to its choice of investments and the trend of its investment policy.
ISIN code	LU1190460847 (Class I –USD - Capitalisation) LU1190460920 (Class I –EUR - Capitalisation) LU1190461068 (Class I EUR Hedged - Capitalisation) LU1190461142 (Class R –USD - Capitalisation) LU1190461225 (Class R –EUR - Capitalisation) LU1190461498 (Class D USD - Distribution) LU1190461571 (Class D EUR - Distribution)
Listed on Luxembourg stock exchange	NO

INVESTMENT POLICY

Objectives of the Sub-Fund	La Française LUX - JKC Asia Bond aims to provide, over the recommended investment period of over 3-5 years, income and capital appreciation in long term. The Sub-Fund will seek to achieve the investment objective through a total return long only approach with a flexible allocation between bonds issued by private or public bodies principally domiciled in Asian Pacific countries (without Japan) with the ability to invest in US bonds in case of adverse market conditions. The Sub-Fund is not index-based or index-referenced, but may be compared a posteriori by Investors with the performance of the Markit iBoxx Asian Dollar Bond Index(ADBI).

Investment policy

The Sub-Fund will invest up to 100% in bonds from Asian Pacific markets Ex-Japan (fixed-rate, floating- rate, indexed to the inflation rate, convertible bonds) with the ability to invest in US bonds and money market instruments (treasury bills, treasury notes, certificates of deposit) from all economic sectors. The management of the Sub-Fund is based on a dynamic management of investments.

The allocation between private and public debt is not determined in advance and will be based on market opportunities.

The management of the Sub-Fund is mainly based on the management team's in-depth and Asian market knowledge of the selected companies' balance sheets and the fundamentals of sovereign debt.

The Sub-Fund will be invested up to 100% in issues rated investment grade (ratings higher than or equal to BBB- according to Standard & Poor's or Baa3 according to Moody's) or speculative (rating less than BBB- or Baa3).

When the issue is not rated, the rating criteria shall be fulfilled by the issuer.

The Sub-Fund may also invest in unrated securities.

The Sub-Fund may invest its net assets in securities denominated in different currencies: local currencies (up to 20%) and G7 currencies (up to 100%).

This portion of assets will be discretionary and actively hedged against the foreign exchange risk. However, there may be a foreign exchange risk.

The Sub-Fund may be exposed up to 30% in convertible bonds and up to 20% in contingent convertible bonds "**CoCos**"[3]). As a consequence, the Sub-Fund may have an exposure in equities not exceeding 10% of the net assets.

The Sub-Fund may hold ancillary liquid assets. The Sub-Fund may, with the aim of investing its liquid assets, invest in monetary UCIs or UCIs invested in: 1) debt securities whose final or residual maturity term, taking into account the financial instruments associated therewith, does not exceed 12 months, or 2) debt securities for which the rate is adapted, taking into account the financial instruments associated therewith, at least once a year.

Investments in shares or units of UCITS and/or other UCIs are limited to 10% of the Sub-Fund's assets.

[3] CoCo are subordinated contingent capital securities, instruments issued by banking institutions to increase their capital buffers in the framework of new banking regulations.

Global sensitivity range

Between 0 and 10

Use of derivatives

Within the limits set out in the Prospectus, the Sub-Fund may invest in derivative techniques and instruments listed, unlisted, firm or optional, rates indexes, swaps, futures, forwards, NDF (Non Deliverable Forward), CDS (Credit Default Swap) single name and/or CDS on indices with the aim of taking provisions against the risks associated with the assets or exposure of the portfolio.

Each derivative instrument addresses a specific hedging, arbitrage or exposure strategy to:

(i) hedge the entire portfolio or certain classes of assets held within it against interest and/or foreign exchange-rate risks,
(ii) synthetically rebuild specific assets, or
(iii) increase the Sub-Fund's exposure to interest-rate risks on the market.

CDS are used only for hedging purpose.

As the Sub-Fund qualifies as a "flexible fund", the use of derivatives will allow the Investment Manager to increase this flexibility. The derivatives will thus be used to hedge the portfolio against credit risk and fixed income risks.

The indices listed above comply with the provisions of Article 9 of the Grand Ducal Regulation of 8 February 2008.

Efficient portfolio management techniques

Please refer to Section 3 "Financial techniques and instruments" of this Prospectus.

Reference currency

USD

Risk profile

The Sub-Fund is exposed to the following risks:

Risk of capital loss: as the Sub-Fund's capital is not guaranteed, the subscriber may lose all or part of his initial investment.

Discretionary risk: the discretionary management style applied to the Sub-Fund is based on the selection of securities and on expectations regarding the markets of the Sub-Fund's assets. There is a risk that the Sub-Fund may not be invested at all times in the best-performing securities. The Sub-Fund's performance may therefore be lower than the management objective. In addition, the Net Asset Value of the Sub-Fund may have a negative performance.

Counterparty risk: the Sub-Fund may enter into financial derivative transactions and into repurchase transactions and other contracts that entail a credit exposure to certain counterparties. To the extent that counterparty defaults on its obligation, the Sub-Fund may experience a decline in the value of its portfolio.

Risk arising from overexposure: The Sub-Fund may use financial futures instruments (derivatives) to generate overexposure and thus expose the Sub-Fund beyond the level of its net assets. Depending on the direction of the Sub-Fund's transactions, the effect of the fall (in the case of purchase of exposure) or of the rise of the underlying of the derivative (in the case of sale of exposure) may be amplified and therefore increase the fall of the Net Asset Value of the Sub-Fund.

Risk associated with investments in (speculative) high-yield securities: the Sub-Fund should be considered speculative. It is aimed specifically at Investors who are aware of the risks inherent to investing in securities with a low or non-existent rating. These securities are considered as "speculative" and have a higher risk of default; they are likely to suffer higher and/or more frequent fluctuations in valuations and are not always sufficiently liquid to be sold at all times at the best price. The Sub-Fund's Net Asset Value may therefore be lower when the value of these securities in the portfolio falls.

Credit risk relating to issuers of debt securities: these risks may stem from an unexpected default risk or a downgrade in the rating of an issuer of a debt security. If an issuer's credit rating is downgraded, the value of its assets falls. Consequently, this may cause the Net Asset Value of the Sub-Fund to fall.

The interest rate risk is the risk that the value of the Sub-Fund's investment decreases if interest rates rise. Thus, when interest rates rise, the Net Asset Value of the Sub-Fund may fall.

Financial derivative risk: The Sub-Fund may enter into financial derivative transactions and into repurchase transactions and other contracts that entail a credit exposure to certain counterparties. To the extent that counterparty defaults on its obligation, the Sub-Fund may experience a decline in the value of its portfolio.

Liquidity Risk is the risk that certain securities may be difficult or impossible to sell at the time that the seller would like or at the price that the seller believes the security is currently worth.

The Sub-Fund may be exposed to the markets of emerging countries. Investing in these markets involves a high degree of risk due to the political and economic situation of these markets, which may affect the value of the Sub-Fund's investments. Their operational and supervisory conditions may differ from the standards prevailing on the major international markets. In addition, investing on these markets entails risks due to the restrictions imposed on foreign investments, counterparties, the higher market volatility, the delay in settlements/deliveries as well as the limited liquidity of some lines contained in the Sub-Fund's portfolio. Consequently, the Net Asset Value of the Sub-Fund may fall.

Currency risk: the Sub-Fund may invest in securities denominated in a number of different currencies other than the base currency in which the Sub-Fund is denominated. Changes in foreign currency exchange rates may adversely affect the value of the Sub-Fund's investments.

Risk associated with holding convertible bonds: The Sub-Fund may be exposed up to 30% in convertible bonds and up to 20% in CoCos (which specific risks are detailed below). The value of convertible bonds depends to some extent on the evolution of the prices of their underlying equities. Changes in the underlying equities may lead to a fall in the Sub-Fund's Net Asset Value. Exposure to equity risk shall be limited to maximum 10% of the Sub-Fund's net assets.

Risk associated with investments in CoCos. The main feature of a CoCo is its ability to absorb losses as required by global bank regulators as part of a banks regulatory capital requirements and new debt global bail-in regimes.

Under the terms of a CoCo, the instruments become loss absorbing upon certain triggering events, including events under the control of the management of the CoCo issuer which could cause the permanent write-down to zero of principal investment and/or accrued interest, or a conversion to equity. The trigger event calculations may be affected by changes in applicable accounting rules, the accounting policies of the issuer or its group and the application of these policies. Any such changes, including changes over which the issuer or its group has a discretion, may have a material adverse impact on its reported financial position and accordingly may give rise to the occurrence of a trigger event in circumstances where such a trigger event may not otherwise have occurred, notwithstanding the adverse impact this will have on the position of holders of the CoCos.

Upon such occurrence, there is a risk of a partial or total loss in nominal value or conversion into the common stock of the issuer which may cause the relevant Sub-Fund as a CoCo bondholder to suffer losses:

(i) before both equity investors and other debt holders which may rank *pari passu* or junior to CoCo investors, and
(ii) in circumstances where the bank remains a going concern.

The value of such instrument may be impacted by the mechanism through which the instruments are converted into equity or written-down which may vary across different securities which may have varying structures and terms. CoCo terms may vary from issuer to issuer and bond to bond.

In equity convertible CoCos, the conversion share price is important as this determines the economic loss that a relevant Sub-Fund, as a holder of such instruments will suffer upon conversion and may not be pre-determined. For principal write-down CoCos, write-down can be immediate and in many cases there may be a full loss with no expectation of any return of principal. Only some CoCos may be written-back up to par and even then would do so over a potentially long period of time; however even if this is possible, the issuer may be able to call such investment prior to such write-up to par resulting in a loss to the bondholder.

There are a number of factors which could increase the likelihood of a trigger event occurring, some of which may be outside an issuer's control. CoCos may trade differently to other subordinated debt of an issuer which does not include a write-down or equity conversion feature which may result in a decline in value or liquidity in certain scenarios. It is possible, in certain circumstances e.g. issuer discretion not to pay, and/or insufficient distributable profits to pay interest in full or in part for interest payments on certain CoCos to be cancelled in full or in part by the issuer, without prior notice to bondholders. Therefore, there can be no assurances that investors will receive payments of interest in respect of CoCos. Unpaid interest may not be cumulative or payable at any time thereafter, and bondholders shall accordingly have no right, whether in a liquidation, dissolution or winding-up or otherwise, to claim the payment of any foregone interest which may impact the value of the relevant Sub-Fund.

Notwithstanding that interest not being paid or being paid only in part in respect of CoCos, or the principal value of such instruments may be written down to zero, there may be no restriction on the issuer paying dividends on its ordinary shares or making pecuniary or other distributions to the holders of its ordinary shares or making payments on securities ranking *pari passu* with the CoCos. Coupon cancellation may be at the option of the issuer or its regulator but may also be mandatory and related applicable laws and regulation.

Call extension risk: Some CoCos are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority. It cannot be assumed that the perpetual CoCos will be called on call date. Some CoCos are a form of permanent capital. The investor may not receive return of principal if expected on call date or indeed at any date.

Unknown risk: the structure of the instruments is innovative yet untested. In a stressed environment, when the underlying features of these instruments will be put to the test, it is uncertain how they will perform. In the event a single issuer activates a trigger or suspends coupons, will the market view the issue as an idiosyncratic event or systemic? In the latter case, potential price contagion and volatility to the entire asset class is possible. This risk may in turn be reinforced depending on the level of underlying instrument arbitrage. Furthermore in an illiquid market, price formation may be increasingly stressed.

The volatility risk is the risk of a fall in the Net Asset Value caused by a rise or fall in the volatility which is decorrelated from the performances of traditional paper securities markets. In case of an adverse movement in the volatility on the strategies implemented, the Net Asset Value will suffer a fall.

Risk management method

Approach using the VaR method
In accordance with the 2010 Law and the regulations in force, in particular CSSF circular 11/512, the Sub-Fund uses a risk management process which makes it possible to evaluate the exposure of the Sub-Fund to market, liquidity and counterparty risk, as well as to all other forms of risk which are relevant to the Sub-Fund, including operational risk.

Calculation of global exposure
Within the context of the risk management procedure, the Sub-Fund's global exposure is measured and checked in accordance with the absolute value-at-risk (VaR) method.
In financial mathematics and in financial risk management, the value at risk is a measure predominantly used for risk of loss on a particular portfolio of financial assets.

The VaR is calculated with a unilateral confidence interval at 99% and for a retention period of 20 days.

The Sub-Fund's VaR is limited to an absolute VaR calculated on the basis of the Sub-Fund's Net Asset Value and does not exceed a maximum VaR limit determined by the Investment Manager, while taking into account the Sub-Fund's investment policy and risk profile. The regulatory limit of the VaR is 20% maximum.

Leverage effect

The Sub-Fund may use derivatives to generate overexposure and thus expose the Sub-Fund beyond the level of its net assets. Depending on the direction of the Sub-Fund's transactions, the effect of decreases or increases in the derivative's underlying assets may be magnified, leading to a larger decrease or increase in the Net Asset Value of the Sub-Fund.

The expected leverage rate is no more than 400% of the Sub-Fund's Net Asset Value.

The leverage is the sum of the exposure calculated with the notional equivalent without the use of netting or hedging. This disclosed expected level of leverage is not intended to be an additional exposure limit for the Sub-Fund.

This leverage may not be representative of the real risk of the Sub-Fund.

The volatility will depend on the allocation decided by the Investment Manager as well as on the market circumstances.

Investor profile	Investment horizon: minimum 3 to 5 years. The Sub-Fund is intended primarily for international and French Investors seeking to take part in potential performance of Asian Pacific markets (ex-Japan), with the benefit of a flexible allocation between bonds issued by private or public bodies. The reasonable amount to invest in this Sub-Fund depends on your personal financial situation. To determine this, you should take into account your personal assets and current requirements, and also your willingness to take risks or your wish to favour prudent investment. You are also strongly advised to diversify your investments so as not to expose them solely to the risks of this Sub-Fund.

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees	Class R, I, and D: Maximum of 3% of the NAV applicable per Share.
Redemption fee	0%
Conversion fee	0%

COSTS PAYABLE BY THE SUB-FUND

Management fee	Class I: Maximum 1% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class R: Maximum 1.50% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class D: Maximum 1.50% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. The Investment Manager may pay part of its management fees to the investment advisor.
Performance fee	None
Operating costs, including the Management Company fee	Up to 0.40% p.a. maximum calculated daily and based on the net assets of the Sub-Fund with a minimum of EUR 30,000 p.a. The payment is due in the month following the end of each quarter.
Other costs and fees	In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of Sub-Fund	In Luxembourg, the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is: - 0.05% for ordinary Shares ("R" and "D"); and - 0.01% for Shares reserved for institutional Investors ("I").
Taxation of Shareholders	For further information please refer to Section IX in the main part of the Prospectus.

SALE OF SHARES

Subscription, redemption and conversion	Subscription, redemption and conversion orders received in Luxembourg before 11 a.m. on a Valuation Day will be treated on the basis of the Net Asset Value of the Valuation Day after applying the fees provided for in the Prospectus. Subscriptions and redemptions must be paid up no later than two Business Days following the applicable Valuation Day. No minimum initial subscription amount is applicable for the R and D Classes of Shares. Minimum initial subscription amount for Class I Shares: USD 100,000 or EUR 100,000.
Share type/Class	The R Shares and the I Shares are capitalisation Shares; the D Shares are income distributing Shares. Shares are issued in dematerialised registered and bearer form. Shares must be fully paid up and are issued with no par value.
Valuation Day	Each banking day in Luxembourg and Paris.
Publication of the NAV	The Net Asset Value can be consulted at the registered office of the Company.
Initial subscription price	I –USD: USD 1,000,- I – EUR: EUR 1,000,- I – EUR Hedged: EUR 1,000,- R – USD: USD 100,- R – EUR: EUR 100,- D – USD: USD 100,- D – EUR: EUR 100,-
Initial subscription period	The date on which the first subscription is received in the Sub-Fund for the relevant Class.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tél: +352 2696 2030 Fax: +352 2696 9747 Contact: BP2S TA Call Centre
Request for documentation	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tél: +352 2696 2030 Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

OVERVIEW OF THE SUB-FUND

Investment Manager	LA FRANÇAISE ASSET MANAGEMENT, Paris
Sub-Investment Managers	LA FRANÇAISE FORUM SECURITIES (UK) LIMITED, London will be in charge of the allocation of the REITs exposure of the Sub-Fund. LA FRANÇAISE INFLECTION POINT, Paris will be in charge of the allocation of the global equity exposure of the Sub-Fund.
ISIN code	LU1190461902 Class I EUR – Distribution LU1190462033 Class I USD – Distribution LU1190462116 Class R EUR – Distribution LU1190462207 Class R USD – Distribution LU1190462389 Class T EUR – Distribution LU1190462462 Class T USD – Distribution LU1523323860 Class R EUR - Capitalisation
Listed on Luxembourg stock exchange	NO

INVESTMENT POLICY

Objectives of the Sub-Fund

The objective of this Sub-Fund is to provide income and capital growth over the medium to longer term.

The Sub-Fund will seek to achieve the investment objective by actively allocating between global equities, global fixed income securities (including developed and emerging market government debt and corporate bonds), in equity securities of closed ended REITs ("REITs"), real estate operating companies, public real estate preferred equity or public real estate debt securities (together the "REITs and other real estate related securities")[4] and any other asset class that could contribute to maximize the Sub-Fund's return.

Investment policy

The Sub-Fund's strategy is based on a flexible and discretionary allocation between different asset classes:

- Equities (0% - 100% of the Sub-Fund's net assets)
- Fixed Income (Rates, Credit, Govies) ex-EM (0% - 100% of the sub-fund's net assets)
- Emerging markets debt (0% - 60% of the Sub-Fund's net assets)
- REITs and other real estate related securities (0% - 40% of the Sub-Fund's net assets).

[4] In compliance with Article 41(1) of the 2010 Law.

Financial derivatives may be used on a tactical basis, in order to achieve the investment objective. Such instrument may also be used for the purpose of hedging.

The weighting of the individual investment categories may vary over time according to the market expectations so that the Sub-Fund may be highly concentrated in any asset class at any time.
Geographic and sector allocation is not subject to restrictions and may lead to a large exposure to one or more geographic areas, countries or sectors.

The Sub-Fund may substantially invest in Investment Grade issuers i.e. having a rating of at least BBB- by Standard & Poor's or at least Baa3 by Moody’s or considered equivalent by the Investment Manager using similar credit criteria at the time of purchase. When the issuer is not rated, the rating condition shall be fulfilled by the issue non-investment grade up securities: issuer’s rating lower than BBB- on the Standard & Poor’s rating agency scale or lower than Baa3 by Moody’s or an equivalent rating grade with another credit rating agency (or be considered equivalent by the Investment Manager using similar credit criteria at the time of purchase) When the issuer is not rated, the rating criteria shall be fulfilled by the issue unrated securities.

The overall exposure of the portfolio to equities including derivatives may represent 100% of the Sub-Fund’s net assets.
The Sub-Fund may invest in securities denominated in currencies other than the euro. Up to 100% of the net assets of the Sub-Fund may be exposed to foreign exchange risk.

The Sub-Fund can also invest up to 10% of its net assets in shares or units of UCITS and/or other UCIs.

The Sub-Fund may hold liquid assets on an ancillary basis. The Sub-Fund may, with the aim of investing its liquid assets, invest in monetary UCIs or UCIs invested in: 1) debt securities whose final or residual maturity term, taking into account the financial instruments associated therewith, does not exceed 12 months, or 2) debt securities for which the rate is adapted, taking into account the financial instruments associated therewith, at least once a year.

Global sensitivity range

Between 0 and 15

Use of derivatives

The Sub-Fund will preferably use derivative instruments traded on regulated markets but reserves the right to enter into OTC contracts where these contracts are better suited to the investment objective or offer lower trading costs.

Within the limits set out in the Prospectus, the Sub-Fund may invest in derivative techniques and instruments listed, unlisted, firm or optional, rates indexes, swaps, futures, forwards, NDF (Nn Deliverable Forward), CDS (Credit Default Swap) single name and/or CDS on indices with the aim of taking provisions against the risks associated with the assets or exposure of the portfolio.

Each derivative instrument addresses a specific hedging, arbitrage or exposure strategy to:

(i) hedge the entire portfolio or certain classes of assets held within it against interest and/or foreign exchange-rate risks,
(ii) synthetically rebuild specific assets, or
(iii) increase the Sub-Fund's exposure to interest-rate risks on the market.

As the Sub-Fund qualifies as a "flexible fund", the use of derivatives will allow the Investment Manager to increase this flexibility. The derivatives will thus be used to hedge the portfolio against credit risk and fixed income risks and to expose the portfolio to credit and fixed income strategies.

Reference currency

EUR

Risk profile

The Sub-Fund is exposed to the following risks:

Risk of capital loss: as the Sub-Fund's capital is not guaranteed, the subscriber may lose all or part of his initial investment.

Discretionary risk: the discretionary management style applied to the Sub-Fund is based on the selection of securities and on expectations regarding the markets of the Sub-Fund's assets. There is a risk that the Sub-Fund may not be invested at all times in the best-performing securities. The Sub-Fund's performance may therefore be lower than the management objective. In addition, the Net Asset Value of the Sub-Fund may have a negative performance.

Equity risk: the risk linked to exposure to equity markets may lead to a fall in the Sub-Fund's Net Asset Value.

Credit risk relating to issuers of debt securities: these risks may stem from an unexpected default risk or a downgrade in the rating of an issuer of a debt security. If an issuer's credit rating is downgraded, the value of its assets falls. Consequently, this may cause the Net Asset Value of the Sub-Fund to fall.

Default risk relating to issuers of debt securities: The default risk is the risk related to solvency of the entity which issued the securities. This risk is even greater should the Sub-Fund invest in speculative or unrated securities which could lead to an increased level of risk of the Net Asset Value of the Sub-Fund decreasing and a loss of capital.

Credit risk relating to high yield securities: high yield bonds are regarded as being predominately speculative. Investment in such securities involves substantial risk. It is aimed specifically at Investors who are aware of the risks inherent to investing in securities with a low or non-existent rating. These securities are classed as “speculative” and have a higher risk of default; they are likely to suffer higher and/or more frequent variations in valuations and are not always sufficiently liquid to be sold at all times at the best price. In the event of bankruptcy of an issuer, the Sub-Fund may experience a decline in the value of its portfolio.

Counterparty risk: the Sub-Fund may enter into financial derivative transactions and into repurchase transactions and other contracts that entail a credit exposure to certain counterparties. To the extent that counterparty defaults on its obligation, the Sub-Fund may experience a decline in the value of its portfolio.

Real Estate Related Securities Risk: the main risk of real estate related securities is that the value of the underlying real estate may go down. Many factors may affect real estate values. These factors include both the general and local economies, vacancy rates, tenant bankruptcies, the ability to re-lease space under expiring leases on attractive terms, the amount of new construction in a particular area, the laws and regulations (including zoning, environmental and tax laws) affecting real estate and the costs of owning, maintaining and improving real estate. The availability of mortgage financing and changes in interest rates also affect real estate values. If the Sub-Fund’s real estate related investments own real estate assets which are concentrated in one geographic area or in one property type, the Sub- Fund will be particularly subject to the risks associated with that area or property type. Many issuers of real estate related securities are highly leveraged, which increases the risk to holders of such securities. The value of the securities the Sub-Fund buys will not necessarily track the value of the underlying investments of the issuers of such securities.

Interest-rate risk: the Sub-Fund is subject to interest-rate risk. The interest-rate risk is the risk that the value of the Sub-Fund's investment may decrease if interest rates rise. The Sub-Fund may be exposed to short term negative yields in adverse market conditions. Thus, when interest rates rise, the Net Asset Value of the Sub-Fund may fall.)

Risk arising from overexposure: The Sub-Fund may use financial futures instruments (derivatives) to generate overexposure and thus expose the Sub-Fund beyond the level of its net assets. Depending on the direction of the Sub-Fund’s transactions, the effect of the fall (in the case of purchase of exposure) or of the rise of the underlying of the derivative (in the case of sale of exposure) may be amplified and therefore increase the fall of the Net Asset Value of the Sub-Fund.

Financial derivative risk: The Sub-Fund may enter into financial derivative transactions and into repurchase transactions and other contracts that entail a credit exposure to certain counterparties. To the extent that a counterparty defaults on its obligation, the Sub-Fund may experience a decline in the value of its portfolio.

Risk arising from arbitrage transactions: Arbitrage is a technique which consists of benefiting from the price differences anticipated between markets and/or sectors and/or currencies and/or instruments. In the event of unfavourable trends in these arbitrages (rise in selling transactions and/or fall in buying transactions), the valuation of the strategy declines and the Net Asset Value of the Master-Fund may fall significantly.

Volatility risk: Volatility risk is the risk of a fall in the Net Asset Value caused by a rise or fall in the volatility which is decorrelated from the performances of traditional paper securities markets. In case of an adverse movement in the volatility on the strategies implemented, the Net Asset Value will suffer a fall.

Liquidity risk is the risk that certain securities may be difficult or impossible to sell at the time that the seller would like or at the price that the seller believes the security is currently worth.

Small Cap risk: The Sub-Fund may be exposed to small caps. The trading volume on these stocks is lower and therefore upward and downward market movements may be more pronounced.

Emerging Country risk: The Sub-Fund may be exposed to the markets of emerging countries. Investing in these markets involves a high degree of risk due to the political and economic situation of these markets, which may affect the value of the Sub-Fund's investments. Their operational and supervisory conditions may differ from the standards prevailing on the major international markets. In addition, investing on these markets entails risks due to the restrictions imposed on foreign investments, counterparties, the higher market volatility, the delay in settlements/deliveries as well as the limited liquidity of some lines contained in the Sub-Fund's portfolio. Consequently, the Net Asset Value of the Sub-Fund may fall.

Currency risk: the Sub-Fund may invest in securities denominated in a number of different currencies other than the base currency in which the Sub-Fund is denominated. Changes in foreign currency exchange rates may adversely affect the value of the Sub-Fund's investments.

Risk associated with holding convertible bonds: The Sub-Fund may be exposed up to 30% in convertible bonds. The value of convertible bonds depends to some extent on the evolution of the prices of their underlying equities. Changes in the underlying equities may lead to a fall in the Sub-Fund's Net Asset Value. Exposure to equity risk shall be limited to maximum 10% of the Sub-Fund's net assets.

Risk management method

Approach using the VaR method
In accordance with the 2010 Law and the regulations in force, in particular CSSF circular 11/512, the Sub-Fund uses a risk management process which makes it possible to evaluate the exposure of the Sub-Fund to market, liquidity and counterparty risk, as well as to all other forms of risk which are relevant to the Sub-Fund, including operational risk.

Calculation of global exposure
Within the context of the risk management procedure, the Sub-Fund's global exposure is measured and checked in accordance with the absolute value-at-risk (VaR) method.

In financial mathematics and in financial risk management, the value at risk is a measure predominantly used for risk of loss on a particular portfolio of financial assets.

The VaR is calculated with a unilateral confidence interval at 99% and for a retention period of 20 days.

The Sub-Fund's VaR is limited to an absolute VaR calculated on the basis of the Sub-Fund's Net Asset Value and does not exceed a maximum VaR limit determined by the Fund Manager, while taking into account the Sub-Fund's investment policy and risk profile. The regulatory limit of the VaR is 20% maximum.

Leverage effect

The Sub-Fund may use derivatives to generate overexposure and thus expose the Sub-Fund beyond the level of its net assets. Depending on the direction of the Sub-Fund's transactions, the effect of decreases or increases in the derivative's underlying assets may be magnified, leading to a larger decrease or increase in the Net Asset Value of the Sub-Fund.

The expected leverage rate is no more than 500% of the Sub-Fund's Net Asset Value.

The leverage is the sum of the exposure calculated with the notional equivalent without the use of netting or hedging. This disclosed expected level of leverage is not intended to be an additional exposure limit for the Sub-Fund.

This leverage may not be representative of the real risk of the Sub-Fund.

Investor profile

Investment horizon: > 3 years

The Sub-Fund's investment policy is suitable for Investors seeking to medium to long-term capital gains within the field of a multi-asset investment strategy. The reasonable amount to invest in this Sub-Fund depends on your personal financial situation. To determine this, you should take into account your personal assets and current requirements, and also your willingness to take risks or your wish to favour prudent investment. You are also strongly advised to diversify your investments so as not to expose them solely to the risks of this Sub-Fund.

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees	Class I: Maximum of 3% of the NAV applicable per Share. Class R: Maximum of 3% of the NAV applicable per Share. Class T: Maximum of 3% of the NAV applicable per Share.
Redemption fee	0%
Conversion fee	0%

COSTS PAYABLE BY THE SUB-FUND

Management fee	Class I: Maximum 0.80% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class R: Maximum 1.60% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class T: Maximum 1.00% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.
Performance fee	None
Operating costs, including the Management Company fee	Up to 0.30%p.a. calculated daily and based on the net assets of the Sub-Fund with a minimum of EUR 30,000 p.a. The payment is due in the month following the end of each quarter.
Other costs and fees	In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of the Company	In Luxembourg the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is: - 0.05% for Shares of Class R and T; and - 0.01% for Shares of Class I per annum (exemption of net assets invested in Luxembourg UCIs already subject to the subscription tax)
Taxation of Shareholders	For further information please refer to Section IX in the main part of the Prospectus.

SALE OF SHARES

Subscription, redemption and conversion

Subscription, redemption and conversion orders received in Luxembourg before 11 a.m. on a Valuation Day will be treated on the basis of the Net Asset Value of the Valuation Day after applying the fees provided for in the Prospectus. Subscriptions and redemptions must be paid up no later than two Business Days following the applicable Valuation Day.

No minimum initial subscription amount is applicable for the R and T Classes of Shares.

Minimum initial subscription amount for Class I Shares: USD 100,000 or EUR 100,000.

Share type/Class

Class R Shares are either income distributing or capitalisation Shares. Class I and T Shares are income distributing Shares.
The Sub-Fund will pay out a fixed distribution (income) to be defined at the beginning of the year with a minimum of 3% per annum. The level of this floor may change over time but it is currently fixed at this rate. If its income is insufficient to cover these payments, these payments may reduce the Sub-Fund's capital.

Shares are issued in dematerialised registered form.

Shares must be fully paid up and are issued with no par value.

Valuation Day

Every Business Day in Luxembourg.

Publication of the NAV

The Net Asset Value can be consulted at the registered office of the Company.

Initial subscription price

I – USD: USD 1,000,-
I – EUR: EUR 1,000,-
R – USD: USD 100,-
R – EUR: EUR 100,-
T – USD: USD 100,-
T – EUR: EUR 100,-

Initial subscription period

The date on which the first subscription is received in the Sub-Fund for the relevant Class.

CONTACTS

Subscriptions, redemptions and conversions

BNP Paribas Securities Services
60, Avenue J.F. Kennedy
L-1855 Luxembourg - Tél: +352 2696 2030
Fax: +352 2696 9747
Contact: BP2S TA Call Centre

Request for documentation

BNP Paribas Securities Services
60, Avenue J.F. Kennedy
L-1855 Luxembourg - Tél: +352 2696 2030
Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

SUB-FUND: La Française LUX – Inflection Point Gonet Swiss Equity

OVERVIEW OF THE SUB-FUND

Investment Manager	GONET & CIE, Geneva
Investment Advisor	INFLECTION POINT CAPITAL MANAGEMENT U.K. LTD, London
ISIN code	LU1323891793 Class I EUR – Capitalisation LU1323891876 Class I CHF – Capitalisation LU1323891959 Class I CHF – Distribution LU1323892254 Class R CHF – Capitalisation LU1323892171 Class R EUR – Capitalisation LU1323892502 Class S CHF – Capitalisation
Listed on Luxembourg stock exchange	NO

INVESTMENT POLICY

Objectives of the Sub-Fund

The objective of this “Swiss Equity” Sub-Fund is to outperform, in the recommended investment period (3 years), the Swiss Performance Index Total Return denominated in CHF (SPI Index) (net dividends reinvested).

Investment policy

The Sub-Fund will mainly invest in Swiss equities of all market capitalizations with a potential sectoral bias related to the composition of the Index.

The Sub-Fund may invest in listed equities or equivalent securities and/or subscription and allocation rights conferred by these equities. The portfolio manager can invest in ADR (American Depositary Receipts) or GDR (Global Depositary Receipts).

The overall exposure of the portfolio to equities including derivatives may represent at least 80% and limited to 120% of the Sub-Fund’s net assets.

Equities are selected using a bottom-up approach, according to a proprietary financial scoring model and an extra-financial approach, to include the use of ESG indicators. This method enables the Investment Manager to understand all aspects of the overall strategy of the listed companies. The criteria used in the scoring of assets cross-cut both market and activity sectors and, as such, allows for a more pertinent analysis of the relative positioning and dynamics of the selected companies, both strategically and in the long-term.

For the purposes of asset scoring, the Investment Manager relies on quantitative and qualitative research and on analysis stemming from a strategic partnership, Inflection Point Capital Management.

Following such initial analysis, the Investment Manager constructs the Sub-Fund’s portfolio, focusing on (i) the best scored assets and in accordance with collectively established guidelines generated throughout the investment process and (ii) an active management of a rather concentrated portfolio with a strict control of the risk profile including a systematic correlation/diversification risk analysis in order to reduce the overall risk of the portfolio.

The Investment Manager may substantially deviate from the benchmark, the Swiss Performance Index Total Return (SPI Index). Besides, the investment limit of the UCITS rules, being a maximum exposure of 10% per company, induces a structural underweight in the 3 largest capitalizations of the benchmark index.

The Sub-Fund will invest in equities of all market capitalizations: small and mid cap equities can be incorporated into the portfolio without limits.

The Sub-Fund may invest in securities denominated in currencies other than the CHF. Up to 20% of the net assets of the Sub-Fund may be exposed to foreign exchange risk.

The Sub-Fund can also invest up to 10% of its net assets in shares or units of UCITS and/or other UCIs.

The Sub-Fund may hold ancillary liquid assets. The Sub-Fund may, with the aim of investing its liquid assets:

- invest up to 10% of its net assets in fixed income products (negotiable debt securities) issued by public or private sector entities having a rating of at least BBB- by Standard & Poor's or at least Baa3 by Moody’s in all geographical areas;
- borrow up to 10% of its nets assets and enter into temporary purchase transactions.

Use of derivatives

The Sub-Fund may use financial derivative instruments. In such case, the Sub-Fund will preferably use derivative instruments traded on regulated markets but reserves the right to enter into OTC contracts where these contracts are better suited to the investment objective or offer lower trading costs.

In this context, the Sub-Fund may hedge and/or expose the portfolio via derivatives instruments such as futures, options, foreign exchange forwards, non-deliverable forwards in order to adjust the exposure of the portfolio or during specific variations periods.

Reference currency

CHF

Risk profile

The net asset value of the Sub-Fund will depend on the market value of the stocks in the portfolio.

The value of the equities depends on the positive growth outlook and the market valuations of the equities in the portfolio.

- As the Sub-Fund's capital is not guaranteed, the subscriber may lose all or part of his initial investment.
- The risk linked to exposure to equity markets may lead to a fall in the Sub-Fund’s net asset value.

- The Sub-Fund may be exposed to small caps. The trading volume on these stocks is lower and therefore upward and downward market movements may be more pronounced.

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

- The Sub-Fund may invest in securities denominated in a number of different currencies other than the base currency in which the Sub-Fund is denominated. Changes in foreign currency exchange rates may adversely affect the value of the Sub-Fund’s investments.

- The Sub-Fund may enter into financial derivative transactions and into repurchase transactions and other contracts that entail a credit exposure to certain counterparties. To the extent that a counterparty defaults on its obligation, the Sub-Fund may experience a decline in the value of its portfolio.

- Model risk: the Sub-Fund’s investment process relies on the development of a proprietary financial and extra-financial scoring model, using indicators to include the use of ESG indicators, through a strategic partnership within the Group La Française.

The model may not always perform as expected. The performance of the Sub-Fund may therefore be inferior to that of its investment objective and returns on investments may be negative.

Risk management method

Commitment approach

Investor profile

Investment horizon: > 3 years

The Sub-Fund’s investment policy is suitable for investors seeking mid-term capital gains and who are prepared to accept large fluctuations linked to the financial markets with the risk of loss which may be significant when markets experience prolonged periods of downturn. Given that the investment policy consists of investing in promising stocks with solid fundamentals, the correlation with the trends in large stock indices will not be absolute and the performance may diverge from the indices.

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees	Class I: Maximum of 3% of the NAV applicable per share. Class R: Maximum of 3% of the NAV applicable per share. Class S: Maximum of 0% of the NAV applicable per share.
Redemption fee	0%
Conversion fee	0%

COSTS PAYABLE BY THE SUB-FUND

Management fee	Class I: Maximum 1.1% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class R: Maximum 1.6% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class S: Maximum 0.8% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.
Performance fee	None
Operating costs, including the Management Company fee	Up to 0.30% p.a. calculated daily and based on the net assets of the Sub-Fund with a minimum of EUR 30,000 p.a. The payment is due in the month following the end of each quarter.
Other costs and fees	In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of the Company	In Luxembourg the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is: - 0.05% for Shares of Class R; and - 0.01% for Shares of Classes I and S per annum (exemption of net assets invested in Luxembourg UCIs already subject to the subscription tax)
Taxation of shareholders	Payments of dividends or of redemptions in favour of the Shareholders may be subject to a withholding tax in accordance with the provisions of Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments. If such payments are subject to withholding tax, investors have the option of not paying the tax if they submit a

certificate of exemption or an authorisation for exchange of information, in accordance with the options made available by the paying agent.

Shareholders are advised to seek advice from their tax consultant regarding the laws and regulations in force in their country of origin and residence.

SALE OF SHARES

Subscription, redemption and conversion	Subscription, redemption and conversion orders received in Luxembourg before 11 a.m. on a Valuation Day will be treated on the basis of the Net Asset Value of the Valuation Day after applying the fees provided for in the prospectus. Subscriptions and redemptions must be paid up no later than two Business Days following the applicable Valuation Day.
Share type/class	Class I EUR - Capitalisation Shares, Class I CHF - Capitalisation Shares, Class R EUR - Capitalisation Shares, Class R CHF – Capitalisation Shares, Class S CHF – Capitalisation Shares are capitalisation Shares. Class I CHF - Distribution Shares are distribution Shares. Shares are issued in dematerialised registered form.
Minimum initial subscription amount and minimum subsequent subscription amount	A minimum initial subscription amount is applicable for the following Classes of Shares: Institutional Shares classes CHF and EUR (Class I): CHF 100,000 or EUR 100,000. Class S CHF: CHF 1,000,000 No minimum initial subscription amount is applicable for the Retail Shares classes (Class R). A minimum subsequent subscription amount is applicable for the following Classes of Shares: Class S CHF: CHF 100,000 Shares must be fully paid up and are issued with no par value.
Valuation Day	Every Business Day in Luxembourg.
Publication of the NAV	The Net Asset Value can be consulted at the registered office of the Company.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tél: +352 2696 2030 Fax: +352 2696 9747 Contact: BP2S TA Call Centre

Request for documentation	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg - Tél: +352 2696 2030 Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

OVERVIEW OF THE SUB-FUND

Investment Manager	LA FRANÇAISE INFLECTION POINT, Paris
Sub-Investment Manager	LA FRANCAISE INVESTMENT SOLUTIONS, Paris, will be in charge of the hedging transaction in relation to the GAC Shares Classes.
ISIN code	LU1480796843 Class I EUR – Capitalisation LU1480796926 Class I EUR GAC-Capitalisation LU1480797064 Class I EUR GAC-Distribution LU1480797148 Class R EUR GAC – Capitalisation LU1480797221 Class F EUR - Capitalisation
Listed on Luxembourg stock exchange	NO

INVESTMENT POLICY

Objectives of the Sub-Fund

The investment objective of this Sub-Fund is to take advantage of the growth potential of the Eurozone equity markets and to outperform, over the recommended investment period of 5 years, the Euro Stoxx Index TR in EUR (SXXT Index) (net of fees) (the "Benchmark Index").

GAC Share Classes:

The investment objective of the GAC Share Classes is, (i) as for the other Share Classes of the Sub-Fund, to take advantage of the growth potential of the Eurozone equity markets and (ii) to implement for the sole benefit of the GAC Share Classes, a systematic derivative based hedging strategy aiming (x) to reduce the adverse effect of the decline of the Eurozone equity markets and the related volatility and (y) to achieve as such an asymmetrical exposure of the relevant Share Class to Eurozone equities markets consisting of:

- capturing 2/3 of the performance of those markets during bull market periods; and
- limiting to 1/3 its exposure to the performance of those markets during bear market periods.

The attention of the potential investors is drawn to the fact that the above mentioned asymmetrical exposure is a pure investment objective over the recommended investment period of 5 years and constitutes neither a promise nor a guarantee of return or performance of the Share Classes.

Investment policy

The Sub-Fund will invest at least 90% of the Sub-Fund’s net assets in Eurozone equities of all market capitalizations without geographical or sectoral predominance.

Up to 10% of the Sub-Fund's net assets may be exposed to equities market of the European Union country outside the Eurozone including but not limited to equity markets of Switzerland and Norway.

The Sub-Fund may invest in listed equities or equivalent eligible securities and/or subscription and allocation rights conferred by these equities.

Equities are selected using a bottom-up approach, according to a proprietary financial scoring model and an extra-financial approach, to include the use of ESG indicators.

This method enables the Investment Manager to understand all aspects of the overall strategy of the listed companies. The criteria used in the scoring of assets cross-cut both market and activity sectors and, as such, allows for a more pertinent analysis of the relative positioning and dynamics of the selected companies, both strategically and in the long-term.

For the purposes of asset scoring, the Investment Manager relies on quantitative and qualitative research and on analysis stemming from a strategic partnership within the Group La Française.

Following such initial analysis, the Investment Manager constructs the Sub-Fund's portfolio, focusing on:

(i) the best scored assets and in accordance with collectively established guidelines generated throughout the investment process, and
(ii) an active management of a rather concentrated portfolio with a strict control of the risk profile including a systematic correlation/diversification risk analysis in order to reduce the overall risk of the portfolio.

The Sub-Fund will invest in equities of all market capitalizations: small and mid cap equities can be incorporated into the portfolio without limits.

The overall exposure of the Sub-Fund to equities including derivatives (but excluding the effect at the level of the GAC Shares Classes of the related hedging strategy) may represent at least 60% and limited to 110% of their net assets.

The Sub-Fund may invest in securities denominated in currencies other than the Euro leading to an exposure of up to 10% of the Sub-Fund's net assets to foreign exchange risk.

The Sub-Fund may also invest in shares or units of UCITS and/or other UCIs, for up to 10% of its net assets.

The Sub-Fund may hold ancillary liquid assets. The Sub-Fund may, with the aim of investing its liquid assets invest up to 10% of its net assets in fixed income products (negotiable debt securities) issued by entities (in the public or private sector) having its registered office in the Eurozone and having a rating of at least BBB- by Standard & Poor's or at least Baa3 by Moody's.

The Sub-Fund may borrow up to 10% of its nets assets and enter into temporary purchase transactions

The Sub-Fund may not invest in Mortgage or Asset-Backed Securities.

The Sub-Fund may invest in credit notes in accordance with article 41(1) of the 2010 Law.

Use of derivatives

The Sub-Fund will use derivative instruments traded on regulated markets and reserves the right to enter into OTC derivative contracts where these contracts are better suited to the investment objective or offer lower trading costs.

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

In this context, the Sub-Fund may hedge and/or expose the portfolio via derivatives instruments such as futures, options, equity swaps, currency swaps, foreign exchange forwards, non-deliverable forwards in order to adjust the exposure of the portfolio or during specific variations periods.

More specifically, the Sub-Fund will use derivatives to implement the systematic hedging strategy of the GAC Share Classes through (i) the purchase of put options, linked to one or several indices correlated to the Benchmark Index ("Underlying Indices") and (ii) the sale of call options, linked to the relevant Underlying Indices and traded for the sole purpose of financing in total or in part the premium of the above mentioned put options and reducing the overall volatility of the relevant Share Classes.

The put options will be, as a general rule, selected at the trade date with maturity dates ranging from 3 to18 months and strike prices slightly above the Benchmark Index level.

The call options will be, as at the trade date, out of the money (i.e. having strike prices above the Benchmark Index level), with short maturities.

Pursuant to the implementation of the hedging strategy, the effective exposure of the GAC Share Classes to the equities markets is expected to vary (while remaining always below the effective exposure of the other Share Classes), depending on the net payout of the above mentioned put and call options.

Reference currency

EUR

Risk profile

The Sub-Fund is exposed to the following risks:

- Risk of capital loss: as the Sub-Fund's capital is not guaranteed, the subscriber may lose all or part of his initial investment.

- Equity risk: the risk linked to exposure to equity markets may lead to a fall in the Sub-Fund’s net asset value.

- Model risk: the Sub-Fund’s investment process relies on the development of a proprietary financial and extra-financial scoring model, using indicators to include the use of ESG indicators, through a strategic partnership within the Group La Française.

- Interest rate risk: the Sub-Fund is subject to interest-rate risk. The value of a debt or debt related security will generally increase when interest rates fall and decrease in value when interest rates rise. While changes in interest rates may affect the Sub-Fund’s interest income, such changes may positively or negatively affect the net Sub-Fund’s Net Asset Value.

- Credit risk relating to issuers of debt securities: these risks may stem from a downgrade in the rating of an issuer of a debt security. If an issuer’s credit rating is downgraded, the value of its assets falls. Consequently, this may cause the Net Asset Value of the Sub-Fund to fall.

- Default risk relating to issuers of debt securities: The default risk is the risk related to solvency of the entity which issued the securities. This risk is even greater should the Sub-Fund invest in speculative or unrated securities which could lead to an increased level of risk of the Net Asset Value of the Sub-Fund decreasing and a loss of capital.

- Risk arising from overexposure: The Sub-Fund may use financial derivatives instruments, to generate overexposure and thus expose the Sub-Fund beyond the level of its net assets remaining within the limits of the 2010 Law. Depending on the direction of the Sub-Fund's transactions, the effect of the fall (in the case of purchase of exposure) or of the rise of the underlying of the derivative (in the case of sale of exposure) may be amplified and therefore increase the fall of the Net Asset Value of the Sub-Fund.

- Counterparty risk: the Sub-Fund may enter into financial derivative transactions and into repurchase transactions and other contracts that entail a credit exposure to certain counterparties. To the extent that counterparty defaults on its obligation, the Sub-Fund may experience a decline in the value of its portfolio.

- Risk linked to the derivatives related to the GAC Share Classes: risk of significant decrease of the exposure of the share class to Eurozone Equity Hedge, partial equity risk hedge due notably to the specific risks of the equity shares of the Master Portfolio/the hedge being implemented on the basis of the Benchmark Index. Given that there is no segregation of liabilities between Share Classes, there is a remote risk that, under certain circumstances, equity hedging transactions in relation to one Share Class could result in liabilities which might affect the net asset value of the other Share Classes of the Sub-Fund.

- Exchange risk: the Sub-Fund may invest in securities denominated in currencies other than the base currency in which the Sub-Fund is denominated. Changes in foreign currency exchange rates may adversely affect the value of the Sub-Fund's investments.

- Potential risk of a conflict of interests: this risk relates to the completion of temporary acquisitions and sales of securities transactions, during which the Sub-Fund uses an entity as counterparty and/or financial intermediary that is linked to the group to which the Sub-Fund's management company belongs.

Risk management method	Commitment approach
Investor profile	Investment horizon: > 5 years

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees	Class I, I GAC, R GAC and F: Maximum of 3% of the NAV applicable per share.
Redemption fee	0%
Conversion fee	0%

COSTS PAYABLE BY THE SUB-FUND

Management fee

Class I: Maximum 1% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.

Class I GAC: Maximum 1.35% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.

Class R GAC: Maximum 2.80% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.

Class F: Maximum 0.44% p.a. calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.

For Class I: The performance fee shall represent a maximum of

20% of the difference between the performance of the Share Class I and the performance of Euro Stoxx TR Index denominated in EUR (SXXT Index Ticker Bloomberg). The total amount of the outperformance fee is set at an upper limit of 2.50% of the average net assets of the Share Class during the reference period.

Performance fee

The performance is calculated by comparing the evolution of the assets of the Share Class I to the assets of a reference fund with a performance identical to that of the Euro Stoxx TR Index denominated in EUR and registering the same variations in subscriptions and redemptions as the Share Class I.
A provision or, the recovery of the provision in the event of underperformance, is accounted for in each NAV calculation. The proportion of variable fees corresponding to redemptions is paid to the manager.

The performance fees are calculated based on the last NAV in December of each year. The performance fee is payable annually in the month following the end of the year.

If, over a given reference period, the evolution of the Share Class I's assets is lower than that of the reference fund (see above), the reference period shall be extended by the duration of the new financial year.

No performance fee will be applicable to Class I GAC, Class R GAC and Class F.

Operating costs, including the Management Company fee

Up to 0.15% p.a. calculated daily and based on the net assets of the Sub-Fund with a minimum of EUR 30,000 p.a. The payment is due in the month following the end of each quarter.

Other costs and fees

In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of the Company

In Luxembourg the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is:

- 0.01% p.a. for Shares of Class I, I GAC and F (exemption of net assets invested in Luxembourg UCIs already subject to the subscription tax)
-
- 0.05% p.a. for Shares of Class R GAC (exemption of net assets invested in Luxembourg UCIs already subject to the subscription tax)

Taxation of shareholders

For further information please refer to Section IX in the main part of this Prospectus.

SALE OF SHARES

Subscription, redemption and conversion	Subscription, redemption and conversion orders received in Luxembourg before 11 a.m. on a Valuation Day will be treated on the basis of the Ne t Asset Value of that Valuation Day after applying the fees provided for in this Prospectus. Subscriptions and redemptions must be paid up no later than two Business Days following the applicable Valuation Day.
Share type/class	Class I EUR - Capitalisation Shares, Class I EUR GAC– Capitalisation Shares, Class I EUR GAC –Distribution Shares, Class R EUR GAC – Capitalization Shares and Class F EUR – Capitalization Shares Shares are issued in dematerialised registered form.
Minimum initial subscription amount and minimum subsequent subscription amount	A minimum initial subscription amount is applicable for the following Classes of Shares: Class I: 100,000 EUR Class I GAC: 100,000 EUR No minimum initial subscription amount is applicable for Class F and R GAC Shares.
Valuation Day	Every Business Day in Luxembourg.
Publication of the NAV	The Net Asset Value can be consulted at the registered office of the Company.
Initial subscription price	Class I EUR: EUR 1,000 Class I EUR GAC: EUR 1,000 Class I EUR GAC: EUR 1,000 Class R EUR GAC: EUR 100 Class F EUR: EUR 100
Initial subscription period	The date on which the first subscription is received in the Sub-Fund for the relevant Class.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg Tél: +352 2696 2030 Fax: +352 2696 9747 Contact: BP2S TA Call Centre
Request for documentation	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg Tél: +352 2696 2030 Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

SUB-FUND: La Française LUX – JKC Asia Bond 2023

OVERVIEW OF THE SUB-FUND

Investment Manager	JK CAPITAL MANAGEMENT Ltd. Hong Kong.
Investment Advisor	LA FRANCAISE ASSET MANAGEMENT, France
ISIN code	LU1585407973 (Class I USD - Capitalisation) LU585408435 (Class I USD – Distribution
Listed on Luxembourg stock exchange	NO

INVESTMENT OBJECTIVE AND POLICY

Objective

The management objective of La Française LUX - JKC Asia Bond 2023 is to achieve an attractive yield over the recommended period of 7 years from the launch date of the Sub-Fund until 31st December 2023.

Investment policy

The Sub-Fund mainly invests in government and corporate bonds of any credit quality from Asian Pacific countries, excluding Japan, that mature on or before 31 December 2023.

The Sub-Fund invests up to 100% of net assets in fixed and floating-rate debt securities as well as money market instruments issued in those countries.

The Sub-Fund may also invest in or be exposed to:

- 30% in convertible bonds;
- 10% in equities, through exposure from convertibles bonds;
- 10% of its net assets in shares or units of UCITS and/or other UCIs.

The Sub-Fund may invest in securities denominated in currencies other than the USD, including local, hard or G7 currencies. Non USD investments are hedged against the USD. There may however be a residual currency exchange risk due to imperfect hedging.

The Sub-Fund's modified duration may vary from 6 to 0 and decreases over time.

The Sub-Fund may hold cash and cash equivalent on an ancillary basis. These may include monetary UCIs or UCIs whose investment's overall weighted maturity or rate reset frequency does not exceed 12 months.

On an exceptional and temporary basis, the Sub-Fund may borrow cash up to a limit of 10% of its net assets.

The Sub-Fund reserves the right to make deposits of up to 10% in order to manage its cash flow.

The Sub-Fund will not invest in distressed / defaulted securities.

Use of derivatives

The Sub-Fund may use derivatives as a substitute for direct investment, for hedging and for efficient portfolio management. The Sub-Fund may uses, rates indexes, swaps, futures, forwards, NDF (Non Deliverable Forward), single name CDS (Credit Default Swap).

Efficient portfolio management techniques

The Sub-Fund may enter into temporary repurchase transactions and reverse repurchase transactions (also known as "repos") within the prescribed limits. Please refer to section 3 "Financial technique instruments" of this prospectus.

Reference currency

USD

Risk profile

The Sub-Fund is exposed to the following risks:

Credit risk A bond or money market security could lose value if the issuer's financial health deteriorates. This risk is greater the lower the credit quality of the debt, and the greater the Sub-Fund's exposure to below investment grade bonds.

If the financial health of the issuer of a bond or money market security weakens, or if the market believes it may weaken, the value of the bond or money market security may fall or become more volatile, and it may become illiquid.

Below investment grade bonds are considered speculative. Compared to investment grade bonds, the prices and yields of below investment grade bonds are more sensitive to economic events and more volatile, and the bonds are less liquid.

Debt issued by governments and government-owned or -controlled entities can be subject to many risks, especially in cases where the government is reliant on payments or extensions of credit from external sources, is unable to institute necessary systemic reforms or control domestic sentiment, or is unusually vulnerable to changes in geopolitical or economic sentiment.

Derivatives risk Certain derivatives could behave unexpectedly or could expose the Sub-Fund to losses that are significantly greater than the cost of the derivative.

Derivatives in general are highly volatile and do not carry any voting rights. The pricing and volatility of many derivatives (especially credit default swaps) may diverge from strictly reflecting the pricing or volatility of their underlying reference(s). In difficult market conditions, it may be impossible or unfeasible to place orders that would limit or offset the market exposure or financial losses created by certain derivatives.

Using derivatives involves costs that the Sub-Fund would not otherwise incur.

Changes in tax, accounting, or securities laws could cause the value of a derivative to fall or could force the Sub-Fund to terminate a derivative position under disadvantageous circumstances.

OTC derivatives Because OTC derivatives are in essence private agreements between a Sub-Fund and one or more counterparties, they are less highly regulated than market-traded securities. OTC derivatives carry greater counterparty risk and liquidity risk, and it may be more difficult to force a counterparty to honor its obligations to a Sub-Fund. If a counterparty ceases to offer a derivative that a Sub-Fund had been planning on using, the Sub-Fund may not be able to find a comparable derivative elsewhere and may miss an opportunity for gain or find itself unexpectedly exposed to risks or losses, including losses from a derivative position for which it was unable to buy an offsetting derivative.

Because it is generally impractical for the Company to divide its OTC derivative transactions among a wide variety of counterparties, a decline in the financial health of any one counterparty could cause significant losses. Conversely, if any Sub-Fund experiences any financial weakness or fails to meet an obligation, counterparties could become unwilling to do business with the Company, which could leave the Company unable to operate efficiently and competitively.

Exchange-traded derivatives While exchange-traded derivatives are generally considered lower-risk than OTC derivatives, there is still the risk that a suspension of trading in derivatives or in their underlying assets could make it impossible for a Sub-Fund to realize gains or avoid losses, which in turn could cause a delay in handling redemptions of shares. There is also a risk that settlement of exchange-traded derivatives through a transfer system may not happen when or as expected.

Emerging markets risk Emerging markets are less established, and more volatile, than developed markets and involve higher risks, particularly market, liquidity and currency risks.

Reasons for this higher risk include:

- political, economic, or social instability
- economies that are heavily reliant on particular industries, commodities, or trading partners
- high or capricious tariffs or other forms of protectionism
- regulations, laws, or practices that place outside investors at a disadvantage
- failure to enforce laws or regulations, to provide fair or functioning mechanisms for resolving disputes or pursuing recourse, or to otherwise recognise

the rights of investors as understood in developed markets

- excessive fees, trading costs, taxation, or outright seizure of assets
- inadequate reserves to cover issuer or counterparty defaults

- incomplete, misleading, or inaccurate information about securities and their issuers
- lack of uniform accounting, auditing and financial reporting standards
- manipulation of market prices by large investors
- arbitrary delays and market closures
- market infrastructure that is unable to handle peak trading volumes
- fraud, corruption and error

In certain countries, securities markets may also suffer from impaired efficiency and liquidity, which may worsen price volatility and market disruptions.

To the extent that emerging markets are in different time zones from Luxembourg, the Sub-Fund might not be able to react in a timely fashion to price movements that occur during hours when the Sub-Fund is not open for business.

For purposes of risk, the category of emerging markets includes markets that are less developed, such as most countries in Asia, Africa, South America and Eastern Europe, as well as countries such as China, Russia and India that have successful economies but may not offer the highest levels of investor protection.

Interest rate risk When interest rates rise, bond values generally fall. This risk is generally greater the longer the maturity of a bond investment is.

Management risk The Sub-Fund's management team may be wrong in its analysis, assumptions, or projections.

This includes projections concerning industry, market, economic, demographic, or other trends. It also includes the analysis the management team uses to determine arbitrage positions (positions that seek to exploit price differences for the same or similar investment exposures in different markets).

Currency risk Changes in currency exchange rates could reduce investment gains or increase investment losses, in some cases significantly.

Exchange rates can change rapidly and unpredictably, and it may be difficult for the Sub-Fund to unwind its exposure to a given currency in time to avoid losses. Intervention by a central bank, such as aggressive buying or selling of currencies, changes in interest rates, restrictions on capital movements or a "de-pegging" of one currency to another, could cause abrupt and/or long-term changes in relative currency values.

Market risk Prices and yields of many securities can change frequently, and can fall based on a wide variety of factors.

Examples of these factors include:

- political and economic news
- government policy
- changes in technology and business practices
- changes in demographics, cultures and populations
- natural or human-caused disasters
- weather and climate patterns
- scientific or investigative discoveries
- costs and availability of energy, commodities and natural resources

The effects of market risk can be immediate or gradual, short-term or long-term, narrow or broad.

Counterparty risk An entity with which the Sub-Fund does business could become unwilling or unable to meet its obligations to the Sub-Fund.

Liquidity risk Any security could become hard to value or to sell at a desired time and price.

Liquidity risk could affect the Sub-Fund's ability to repay repurchase agreement proceeds by the agreed deadline.

Operational risk In any country, but especially in emerging markets, there could be losses due to errors, service disruptions or other failures, as well as fraud, corruption, electronic crime, instability, terrorism or other irregular events.

Operational risks may subject the Sub-Fund to errors affecting valuation, pricing, accounting, tax reporting, financial reporting, custody and trading, among other things. Operational risks may go undetected for long periods of time, and even if they are detected it may prove impractical to recover prompt or adequate compensation from those responsible.

Risk management method

The Sub-Fund will use the commitment approach.

Leverage effect

The expected leverage rate is no more than 100% of the Sub-Fund's net asset value.

Investor profile

The Sub-Fund:

- is designed for investors who understand the risks of the Sub-Fund and plan to invest until the maturity of the Sub-Fund (31 December 2023),

- may appeal to investors who:
  - are looking for exposure to Asia-Pacific economies
  - are interested in diversifying a core investment portfolio

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees	Class I: Maximum of 3% of the NAV applicable per Share.
Redemption fee	0%
Conversion fee	0%

COSTS PAYABLE BY THE SUB-FUND

Management fee	Class I: Maximum 0.60% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.
Performance fee	None
Operating costs, including the Management Company fee	Maximum 0.325% p.a. calculated daily and based on the net assets of the Sub-Fund. The payment is due in the month following the end of the quarter.
Other costs and fees	In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of Sub-Fund	In Luxembourg, the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is 0.01% for Shares of Class I per annum (exemption of net assets invested in Luxembourg UCIs already subject to the subscription tax)
Taxation of Shareholders	For further information please refer to Section IX in the main part of the Prospectus.

SALE OF SHARES

Subscription, redemption and switch orders	Requests received and accepted by the transfer agent by 11:00 AM CET any day on which banks are normally open in Luxembourg and Hong Kong are ordinarily processed the following business day. Payment of redemption proceeds will be processed no later than 3 business days following the day on which the redemption request is received and accepted.

	Minimum initial subscription amount: USD 100,000
Share type/Class	Class I capitalisation Shares and Class I distribution Shares. Shares are issued in dematerialised registered. Shares must be fully paid up and are issued with no par value.
Valuation Day	Every Business Day in Luxembourg.
Initial subscription price	Class I USD: USD 1,000
Initial subscription period	The initial subscription period, during which investors can subscribe to Shares at the initial subscription price, shall be determined by the Board of Directors.
Subscription Period	After the initial subscription period and until 31 December 2020 (the "**Subscription Period**"), Shares will be issued at a price based on the Net Asset Value per Share calculated as of the relevant Valuation Day increased, as the case may be, by any applicable subscription fees. Subscriptions will be closed on 31 December 2020 at 11:00 PM CET. From then on, only a subscription preceded by a redemption on the same day and for the same number of shares may be executed.
Valuation of Assets	In the interest of Shareholders, during the Subscription Period (i.e. until 31 December 2020), securities of the Sub-Fund which are listed or traded on an official stock market or other regulated market will be valued using the ask price; thereafter, securities of the Sub-Fund which are listed or traded on an official stock market or other regulated market will be valued using the bid price.
Publication of the NAV	The Net Asset Value can be consulted at the registered office of the Company.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg Tél: +352 2696 2030 Fax: +352 2696 9747 Contact: BP2S TA Call Centre
Request for documentation	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg Tél: +352 2696 2030 Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

OVERVIEW OF THE SUB-FUND

Investment Manager	LA FRANCAISE FORUM SECURITIES (UK) LIMITED, London
Investment Advisor	INFLECTION POINT CAPITAL MANAGEMENT U.K. LTD, London
ISIN code	LU1586242064 (Class R USD - Capitalisation) LU1586242148 (Class R EUR Hedged - Capitalisation) LU1586242221 (Class R USD - Distribution) LU 1586242494 (Class R EUR Hedged - Distribution) LU1586242577 (Class I USD - Capitalisation) LU1586242650 (Class I EUR Hedged - Capitalisation) LU1586242734 (Class I USD - Distribution) LU1586242817 (Class I EUR Hedged - Distribution) LU1586242908 (Class S EUR Hedged Distribution)
Listed on Luxembourg stock exchange	NO

INVESTMENT OBJECTIVE AND POLICY

Objective

The management objective is to achieve income and long-term capital growth (total return) by investing in global real estate with high ESG (Environmental, Social & Governance) characteristics.

Investment policy

The Sub-Fund invests mainly in equities of real estate investment trusts (REITs) which qualify as transferable security within the meaning of the 2010 Law and applicable regulations and other real estate companies from OECD countries. Specifically, the Sub-Fund invests at least 80% of net assets in equities and equity-related securities issued by companies, including REITs, that generate at least 50% of gross revenues or net profits from, or have 50% of their assets in, real estate or related activities. Examples of these activities include owning, developing, building, financing, managing and marketing real estate, including commercial, industrial, residential or niche real estate sectors. The sub-fund may invest up to 15% of net assets in non-OECD countries.

The Sub-Fund may invest in, or be exposed to, the following investments up to the percentage of net assets indicated:
- preferred stocks: 10%
- bonds from issuers in the real estate sector: 10%
- money market instruments: 10%
- UCITS/other UCIs: 10%

The Sub-Fund may also invest in credit notes.

The Sub-Fund may hold cash and cash equivalents on an ancillary basis. These may include monetary UCIs or UCIs whose investment's overall weighted maturity or rate reset frequency does not exceed 12 months.

The Investment Manager combines financial and extra-financial analysis to select, within a universe of approximately 350 real estate companies, those that have above-average ESG scores and appear to have superior growth and earnings prospects.

Use of derivatives

The Sub-Fund may invest in derivative techniques and instruments listed, unlisted, firm or optional, swaps, futures, forwards, NDF (Non Deliverable Forward), for hedging and for efficient portfolio management.

Efficient portfolio management techniques

The Sub-Fund may enter into temporary repurchase transactions and reverse repurchase transactions (also known as "repos") within the prescribed limits. Please refer to section 3 "Financial technique instruments" of this Prospectus.

Reference currency

USD

Risk profile

The Sub-Fund is exposed to the following risks:

- *Real Estate Related Securities Risk*: Real estate and related investments can be hurt by any factor that makes an area or individual property less valuable.

Specifically, investments in real estate holdings or related businesses or securities (including interests in mortgages) can be hurt by natural disasters, economic declines, overbuilding, zoning changes, tax increases, population or lifestyle trends, environmental contamination, defaults on mortgages, failures of management, and other factors that may affect the market value or cash flow of the investment.

Many issuers of real estate related securities are highly leveraged, which can make their securities more volatile. The value of real estate-related securities does not necessarily track the value of the underlying assets.

- *Concentration risk* To the extent that the Sub-Fund invests a large portion of its assets in a limited number of industries, sectors, or issuers, or within a limited geographical area, it can be more risky than a sub-fund that invests more broadly.

Focusing on any company, industry, sector, country, region, type of stock, type of economy, etc. makes the Sub-Fund more sensitive to the factors that determine market value for the area of focus. These factors may include economic, financial or market conditions as well as social, political, economic, environmental or other conditions. The result can be both higher volatility and a greater risk of loss.

- *Equity risk* Equities can lose value rapidly, and typically involve higher risks than bonds or money market instruments.

If a company goes through bankruptcy or a similar financial restructuring, its equities may lose most or all of their value.

• *Emerging markets risk* Emerging markets are less established, and more volatile, than developed markets and involve higher risks, particularly market, liquidity and currency risks.

Reasons for this higher risk include:

- political, economic, or social instability
- economies that are heavily reliant on particular industries, commodities, or trading partners
- high or capricious tariffs or other forms of protectionism
- regulations, laws, or practices that place outside investors at a disadvantage
- failure to enforce laws or regulations, to provide fair or functioning mechanisms for resolving disputes or pursuing recourse, or to otherwise recognise the rights of investors as understood in developed markets
- excessive fees, trading costs, taxation, or outright seizure of assets
- inadequate reserves to cover issuer or counterparty defaults
- incomplete, misleading, or inaccurate information about securities and their issuers
- lack of uniform accounting, auditing and financial reporting standards
- manipulation of market prices by large investors
- arbitrary delays and market closures
- market infrastructure that is unable to handle peak trading volumes
- fraud, corruption and error

In certain countries, securities markets may also suffer from impaired efficiency and liquidity, which may worsen price volatility and market disruptions.

To the extent that emerging markets are in different time zones from Luxembourg, the Sub-Fund might not be able to react in a timely fashion to price movements that occur during hours when the Sub-Fund is not open for business.

For purposes of risk, the category of emerging markets includes markets that are less developed, such as most countries in Asia, Africa, South America and Eastern Europe, as well as countries such as China, Russia and India that have successful economies but may not offer the highest levels of investor protection.

• *Derivatives risk* Certain derivatives could behave unexpectedly or could expose the Sub-Fund to losses that are significantly greater than the cost of the derivative.

Derivatives in general are highly volatile and do not carry any voting rights. The pricing and volatility of many derivatives (especially credit default swaps) may diverge from strictly reflecting the pricing or volatility of their underlying reference(s). In difficult market conditions, it may be impossible or unfeasible to place orders that would limit or offset the market exposure or financial losses created by certain derivatives.

Using derivatives involves costs that the Sub-Fund would not otherwise incur.

Changes in tax, accounting, or securities laws could cause the value of a derivative to fall or could force the Sub-Fund to terminate a derivative position under disadvantageous circumstances.

- *OTC derivatives* Because OTC derivatives are in essence private agreements between a Sub-Fund and one or more counterparties, they are less highly regulated than market-traded securities. OTC derivatives carry greater counterparty risk and liquidity risk, and it may be more difficult to force a counterparty to honor its obligations to a Sub-Fund. If a counterparty ceases to offer a derivative that a Sub-Fund had been planning on using, the Sub-Fund may not be able to find a comparable derivative elsewhere and may miss an opportunity for gain or find itself unexpectedly exposed to risks or losses, including losses from a derivative position for which it was unable to buy an offsetting derivative.

Because it is generally impractical for the Company to divide its OTC derivative transactions among a wide variety of counterparties, a decline in the financial health of any one counterparty could cause significant losses. Conversely, if any Sub-Fund experiences any financial weakness or fails to meet an obligation, counterparties could become unwilling to do business with the Company, which could leave the Company unable to operate efficiently and competitively.

- *Exchange-traded derivatives* While exchange-traded derivatives are generally considered lower-risk than OTC derivatives, there is still the risk that a suspension of trading in derivatives or in their underlying assets could make it impossible for a Sub-Fund to realize gains or avoid losses, which in turn could cause a delay in handling redemptions of shares. There is also a risk that settlement of exchange-traded derivatives through a transfer system may not happen when or as expected.

- *Management risk* The Sub-Fund’s management team may be wrong in its analysis, assumptions, or projections.

This includes projections concerning industry, market, economic, demographic, or other trends. It also includes the analysis the management team uses to determine arbitrage positions (positions that seek to exploit price differences for the same or similar investment exposures in different markets).

- *Liquidity risk* Any security could become hard to value or to sell at a desired time and price.
Liquidity risk could affect the Sub-Fund's ability to repay repurchase agreement proceeds by the agreed deadline.

- *Currency risk* Changes in currency exchange rates could reduce investment gains or increase investment losses, in some cases significantly.

Exchange rates can change rapidly and unpredictably, and it may be difficult for the Sub-Fund to unwind its exposure to a given currency in time to avoid losses. Intervention by a central bank, such as aggressive buying or selling of currencies, changes in interest rates, restrictions on capital movements or a "de-pegging" of one currency to another, could cause abrupt and/or long-term changes in relative currency values.

- *Counterparty risk* An entity with which the Sub-Fund does business could become unwilling or unable to meet its obligations to the Sub-Fund.

- *Operational risk* In any country, but especially in emerging markets, there could be losses due to errors, service disruptions or other failures, as well as fraud, corruption, electronic crime, instability, terrorism or other irregular events.

Operational risks may subject the Sub-Fund to errors affecting valuation, pricing, accounting, tax reporting, financial reporting, custody and trading, among other things. Operational risks may go undetected for long periods of time, and even if they are detected it may prove impractical to recover prompt or adequate compensation from those responsible.

Risk management method

The Sub-Fund will use the commitment approach.

Investor profile

The Sub-Fund is designed for investors who understand the risks of the Sub-Fund and plan to invest for at least 5 years.

The Sub-Fund may appeal to investors who:

- are looking for an investment with a social / environmental emphasis
- are looking for exposure to a sector that provides portfolio diversification benefits due to lower correlation to other asset classes (bonds and/or equities)are looking for exposure to the real estate sector in liquid format
- are interested in diversifying a core investment portfolio

SUBSCRIPTION, REDEMPTION AND CONVERSION FEES

Subscription fees

Class R: Maximum of 5% of the NAV applicable per Share.
Class I and S: none

Redemption fee

none

Conversion fee	none

COSTS PAYABLE BY THE SUB-FUND

Management fee	Class I: Maximum 1% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class R: Maximum 1.50% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter. Class S: Maximum 0.40% p.a., calculated daily and based on the net assets of the share class. The payment is due in the month following the end of the quarter.
Performance fee	None
Operating costs, including the Management Company fee	Class I: up to 0.31% p.a. calculated daily and based on the net assets of the Sub-Fund. The payment is due in the month following the end of the quarter. Class I Hedged: up to 0.36% p.a. calculated daily and based on the net assets of the Sub-Fund. The payment is due in the month following the end of the quarter. Class R: up to 0.35% p.a. calculated daily and based on the net assets of the Sub-Fund. The payment is due in the month following the end of the quarter. Class R Hedged: up to 0.40% p.a. calculated daily and based on the net assets of the Sub-Fund. The payment is due in the month following the end of the quarter. Class S: up to 0.36% p.a. calculated daily and based on the net assets of the Sub-Fund. The payment is due in the month following the end of the quarter.
Other costs and fees	In addition, all other expenses will be borne by the Company. Details of these costs are outlined in Article 31 of the Articles of Incorporation.

TAXATION SYSTEM

Taxation of Sub-Fund	In Luxembourg, the Sub-Fund is subject to an annual tax, payable quarterly, calculated on the basis of the net assets of the Sub-Fund at the end of each quarter. The rate of this tax is: - 0.01% for Shares of Class I and S per annum (exemption of net assets invested in Luxembourg UCIs already subject to the subscription tax)

- 0.05% for Shares Class R per annum (exemption of net assets invested in Luxembourg UCIs already subject to the subscription tax)

Taxation of Shareholders

For further information please refer to Section IX in the main part of the Prospectus.

SALE OF SHARES

Subscription, redemption and switch orders

Requests received and accepted by the transfer agent by 11:00 AM CET any day on which banks are normally open in Luxembourg are ordinarily processed the following business day.

Payments will be processed no later than three Business Days following the day on which the redemption request is received and accepted.

Minimum initial subscription amount:

Class I USD/ EUR 50,000
Class R: none
Class S: EUR 20 000 000

Share type/Class

Class I capitalisation Shares and Class I distribution Shares.
Class R capitalisation Shares and Class R distribution Shares.
Class S distribution Shares

Shares are issued in dematerialised registered.

Shares must be fully paid up and are issued with no par value.

Valuation Day

Every Business Day in Luxembourg.

Publication of the NAV

The Net Asset Value can be consulted at the registered office of the Company.

Initial subscription price

Class I: USD/EUR 1,000
Class R: USD/EUR 100
Class S: EUR 1,000

Initial subscription period

The date on which the first subscription is received in the Sub-Fund for the relevant Class.

CONTACTS

Subscriptions, redemptions and conversions

BNP Paribas Securities Services
60, Avenue J.F. Kennedy
L-1855 Luxembourg
Tél: +352 2696 2030
Fax: +352 2696 9747
Contact: BP2S TA Call Centre

Request for documentation	BNP Paribas Securities Services 60, Avenue J.F. Kennedy L-1855 Luxembourg Tél: +352 2696 2030 Fax: +352 2696 9747

The Prospectus and the KIID, as well as the annual and semi-annual reports, may be obtained free of charge from the registered office of the Company.

INFORMATION FOR UK INVESTORS

In connection with the Company's recognition under section 264, 270 or 272 (dependent upon scheme type) of the 2000 Financial Services and Markets Act, the Company, by way of a UK Facilities Agent Agreement, has appointed BNP Paribas Securities Services (the "Facilities Agent") to maintain the facilities required of a recognised scheme pursuant to the rules contained in the Collective Investment Schemes Sourcebook ("COLL") published by the Financial Conduct Authority.

The facilities will be located at the offices of the Facilities Agent: BNP Paribas Securities Services S.C.A, London Branch, Facilities Agency Services, c/o Company Secretarial Department, 55 Moorgate, London, EC2R 6PA, United Kingdom during usual business hours on any week day (other than UK public holidays):
At these facilities, any person may:

1. inspect (free of charge) and (obtain free of charge) in the case of document (c) and (d)

(a) the instrument constituting the scheme;
(b) any instrument amending the instrument constituting the scheme;
(c) the latest prospectus (which must include the address where the facilities are maintained and details of those facilities);
(d) for a section 264 recognised scheme, the EEA key investor information document;
(e) the latest annual and half-yearly reports.

For a section 264 recognised scheme, the requirement in (1) for documents to be in English applies only to the EEA key investor information document referred to in 1(d).

2. any other documents required from time to time by COLL to be made available.

3. obtain information (in English) about the prices of Shares;

4. redeem or arrange for the redemption of its Shares and obtain payment in relation to such redemption; any redemption requests received by the UK Facilities Agent shall be sent to BNP Paribas Securities Services Luxembourg the administrator of the Company, for processing.

5. make a complaint about the operation of the Company, which complaint the Facilities Agent will transmit to the operator