UCITS
under Directive 2009/65/EC

PROSPECTUS
La Française Allocation
Mutual Fund

1. General information

1.1 Legal form of the UCITS

Name:
La Française Allocation

Legal form and Member State in which the UCITS has been set up:
Fonds Commun de Placement [mutual fund] under French law

Launch date and scheduled duration:
31/07/2003 - 99 years

Date of approval by the French Financial Markets Authority:
15/07/2003

Summary of the management offer

Type of unit	ISIN code	Initial net asset value	Sub-funds	Allocation of income	Allocation of gains and losses:	Denomination currency	Target investors	Minimum initial investment value
I units	FR0010158220	EUR 1,000	No	Capitalisation	Capitalisation	EUR	Intended for professional clients within the meaning of the Markets in Financial Instruments Directive (MiFID)	EUR 150,000
TC EUR units	FR0013290962	EUR 100	No	Capitalisation	Capitalisation	EUR	All subscribers without payment of retrocession fees to distributors	None
S units	FR0010190322	EUR 5,000,000	No	Capitalisation	Capitalisation	EUR	Large institutional investors	EUR 1,000,000
R units	FR0010225052	EUR 100	No	Capitalisation	Capitalisation	EUR	All subscribers, including investors subscribing via distributors providing a non-independent advisory service within the meaning of MiFID II or Reception and Transmission of Orders (RTO) with services	None

The minimum initial subscription value does not apply to the Management Company or the entities of the La Française Group.

Location where the latest annual report and the latest interim report may be obtained:
The latest annual reports and the breakdown of assets will be sent within eight working days, upon written request by the unitholder to:

LA FRANÇAISE ASSET MANAGEMENT
Marketing Department
128, boulevard Raspail
75006 Paris
Tel. +33 (0) 1 44 56 10 00
E-mail: contact-valeursmobilieres@lafrancaise-group.com

For further information, please contact the Marketing Department of the Management Company by e-mail at: contact-valeursmobilieres@lafrancaise-group.com.

1.2 Participants

Management company:
LA FRANÇAISE ASSET MANAGEMENT
Simplified joint stock company, registered in the Paris Trade and Companies Register under number 314 024 019
Management company approved by the French Financial Markets Authority on 1 July 1997, under number GP 97-76,
Registered office: 128, boulevard Raspail, 75006 PARIS

Depositary and registrar:

Identity of the UCITS Depositary
The Depositary of the UCITS is BNP Paribas Securities Services SCA, a subsidiary of the BNP PARIBAS SA group located at 9, rue du Débarcadère, 93500 PANTIN (the “Depositary”). BNP PARIBAS SECURITIES SERVICES, a partnership limited by shares, registered in the Trade and Companies Register under number 552 108 011, is an institution approved by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and regulated by the French Financial Markets Authority (Autorité des Marchés Financiers – AMF), whose registered office is located at 3, rue d'Antin, 75002 Paris, France.

Description of the responsibilities of the Depositary and potential conflicts of interest
The Depositary carries out three types of responsibilities: checking the legality of the decisions of the Management Company (as defined in Article 22(3) of the UCITS V Directive), monitoring the UCITS cash flow (as defined in Article 22(4)) and holding UCITS assets (as defined in Article 22(5)).
The main objective of the Depositary is to protect the interests of unitholders/investors in the UCITS. This will always take precedence over commercial interests.
Potential conflicts of interest may be identified, especially in the case where the Management Company has a commercial relationship with BNP Paribas Securities Services SCA alongside its appointment as Depositary (which may be the case where BNP Paribas Securities Services, by delegation from the Management Company, calculates the net asset value of the UCITS while BNP Paribas Securities Services is the Depositary or where a group connection exists between the Management Company and the Depositary).
In order to manage situations such as this, the Depositary has implemented and regularly updates a conflict of interest management policy, with the aim of:
- identifying and analysing potential conflicts of interest;
- recording, managing and monitoring conflicts of interest:
    - o based on the permanent measures put in place in order to manage conflicts of interest, such as the distribution of tasks, the separation of hierarchical and operational lines, the monitoring of internal lists of insiders and dedicated IT environments;
    - o on a case-by-case basis:
        - by implementing appropriate preventive measures such as the creation of an ad hoc monitoring list and new Chinese walls, or by verifying that transactions are properly processed and/or by keeping the relevant clients informed; or
        - by refusing to manage activities which could lead to conflicts of interest.

Description of any safekeeping functions delegated by the Depositary, list of delegates and sub-delegates and identification of conflicts of interest likely to result in such a delegation
The UCITS Depositary, BNP Paribas Securities Services SCA, is responsible for the safekeeping of assets (as defined in Article 22(5) of Directive 2009/65/EC, as amended by Directive 2014/91/EU). In order to offer services linked to the safekeeping of assets in a large number of countries, enabling the UCITS to achieve its investment objectives, BNP Paribas Securities Services SCA has appointed sub-depositaries in countries where BNP Paribas Securities Services SCA has no local presence. These entities are listed on the following website:
http://securities.bnpparibas.com/solutions/asset-fund-services/depositary-bank-and-trustee-serv.html
The appointment and monitoring process for sub-depositaries adheres to the highest quality standards, including the management of potential conflicts of interest which may arise as a result of these appointments.
Up-to-date information relating to the above points will be sent to investors upon request.

Statutory auditor:
DELOITTE et Associés
185, avenue Charles de Gaulle, 92524 NEUILLY SUR SEINE cedex
Represented by Mr Jean-Marc LECAT

Marketers:
LA FRANCAISE AM FINANCE SERVICES
Customer service
128, boulevard Raspail, 75006 PARIS

CMNE
4, place Richebé, 59800 LILLE

Banque Coopérative et Mutuelle Nord Europe
4, place Richebé, 59000 LILLE

Delegates:

Appointed Account Manager
BNP PARIBAS SECURITIES SERVICES, SCA
With its registered office at 3, rue d'Antin, 75002 PARIS
With its postal address at Grands Moulins de Pantin, 9, rue du Débarcadère, 93500 Pantin

Advisers:
None

Centralising agent:
LA FRANÇAISE ASSET MANAGEMENT
Simplified joint stock company, registered in the Paris Trade and Companies Register under number 314 024 019
Management company approved by the French Financial Markets Authority on 1 July 1997, under number GP 97-76,
Registered office: 128, boulevard Raspail, 75006 PARIS

Appointed establishment responsible for subscription and redemption orders:
LA FRANCAISE AM FINANCE SERVICES
Customer service
128, boulevard Raspail, 75006 PARIS

2. Terms of operation and management

2.1 General information

Unit features:
- Nature of right attached to each unit category: each unitholder has the right of co-ownership in Fund assets in proportion to the number of units held.
- Liabilities managed by BNP Paribas Securities Services.
- Units admitted to EUROCLEAR France.
- Voting rights: the units do not carry any voting rights; decisions are taken by the Management Company.
- Form of units: bearer units.
- Decimalisation: each unit can be divided into hundred thousandths

Closing dates:
- End of accounting period: last trading day of September, until September 2014, then the last trading day of December as from December 2014
- Closing date of the 1st financial year: 30 September 2004

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

2.2 Specific provisions

ISIN code:

I units	FR0010158220
TC EUR units	FR0013290962
S units	FR0010190322
R units	FR0010225052

Classification:
None

Management objective:

The management objective is to obtain, over the term of the 2-year recommended investment period, a net return superior to that of the Euribor 1 month +3.5%.

In normal market conditions, the targeted volatility of the Fund will be 10% maximum.

Benchmark index:

Capitalised Euribor 1 month.

The Euribor index is the European monetary market rate. It is equal to the arithmetic mean 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.

The mutual fund is neither an index fund nor an index benchmark but, for post-hoc comparison purposes, the unitholder can refer to the benchmark index.

Investment strategy:

1. Strategies employed

The Fund aims to achieve a long-term return by discretionary allocation between different assets classes (equities, rates, currencies) and geographical areas (mainly OECD countries and up to 20% maximum outside the OECD; certain countries outside of the OECD may be designated as emerging markets).

The Fund's strategy is based on a 'tactical allocation' approach and is reflected by (over the different aforementioned asset classes and geographical areas) the following strategies:
• long and/or short positions on underlying markets;
• long and/or short positions on underlying market volatility;
• arbitrage positions between different markets and types of underlyings.

This management style is implemented in an opportunistic way between the asset classes according to the following process:
1) identify investment strategies according the relative trends in the price of financial assets with regard to the evolution of economic data;
2) select positions which offer the best risk/reward combination in each investment strategy.
3) allocate risk between different investment strategies and positions according to market trends.

Therefore, over time, the portfolio will change and be exposed to significantly different asset classes and investment strategies. To illustrate this approach, here are two 'extreme' examples of situations the manager may encounter in the management of the Fund:
• If the management approach does not generate any buy or sell signals, the portfolio may be invested up to 100% in monetary investments at any given time.
• If the management approach only identifies a single investment strategy relating, for example, to European equity index futures, the portfolio risk may be solely concentrated on this strategy at any given time (supplemented by monetary investments).

However, under normal circumstances, the Fund targets 3 to 5 active strategies in the portfolio. These may take the form of directional long or short 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 overall strategies, the Fund is correlated to the financial markets. However, this correlation will be weak when each benchmark financial market of the asset classes is considered separately.

In order to ensure the management objective, spreads of exposure and sensitivity to the various markets have been pre-determined. The ranges of exposure have been calculated to comply with the maximum volatility of the Fund (10% maximum under normal market conditions).

Investment strategies are essentially 'top down', resulting from the macro-economic analyses of the Management Company. They will be selected according to the following items:
• research carried out by the management teams of the Management Company on equities, rates, currencies and/or research received from investment banks with which the management team has dealings;
• macro-economic and financial studies of external providers.

The fund may use Total Return Swaps (TRS) up to a limit of 100% maximum of the net assets. The expected proportion of assets under management that shall be subject to TRS may be 10%. The assets underlying the TRS may be credit indices or baskets of equities.

The risk allocation between different markets and strategies will be managed dynamically.

a. Equities:

The allocation relates to all sectors of activity and all geographic areas with an emphasis on the United States, Europe and Japan.

These investments will be solely carried out via futures, options or, within the limit of 10%, UCITS under French or foreign law in accordance with the Directive, with an 'equity' classification.

The strategy will have an opportunist approach and the net exposure of the Fund to the markets shall be between -60% and +60%.

The positions, assessed in a discretionary manner by the manager, are based on the analysis of different macro-economic and market indicators, such as:
• growth, inflation, foreign trade, public accounts;
• market indicators specific to financial markets, such as:
 o capital flows,
 o growth in companies' profit margins,
 o the valuation of different markets,
 o technical analysis of markets and different risk indices.

This analysis will be supplemented by external analysis and financial publications.

These short-, medium- or long-term positions convey the bullish or bearish forecasts on the selected indexes.
The manager may also take arbitrage positions via futures or options on the indexes to profit from the opportunities which arise between different markets.

b. Rate products

The Fund may be exposed to government bond markets, predominantly on the US, European and Japanese markets.

These investments are made via futures, options on bonds, indexes and/or contracts on fixed-rate, floating or inflation-linked bonds.

The sensitivity spread of the portfolio is between -10 and +10.

The positions, assessed in a discretionary manner by the manager, are based on the analysis of different macro-economic and market indicators, such as:
• growth, inflation, foreign trade, public accounts;
• market indicators specific to financial markets, such as:
 o capital flows,
 o the valuation of different markets,
 o technical analysis of markets and different risk indexes,
 o the analysis of monetary policy forecasts.

This analysis will be supplemented by external analysis and financial publications.

These short-, medium or long-term positions, convey the bullish or bearish forecasts on fixed-rate bond markets.

The manager may take arbitrage positions between different points on the curve and intra-zone positions in order to profit from opportunities on selected bond markets.

These arbitrage positions are the reflection of opportunities detected between different maturities on the rate curve and different countries in respect of the indicators above. They will be implemented by futures and options on the relevant fixed-rate bonds.

For the management of its liquidity, the Fund may invest in debt securities up to 100% of net assets, excluding commercial paper and cash certificates.

These investments will be made in securities rated as investment-grade (higher or equal to BBB- on the Standard & Poor's rating scale or to Baa3 on the Moody’s rating scale or equivalent according to the Management Company's analysis). The manager also reserves the right to invest in lower-rated securities depending on market opportunities, within the limit of 10% maximum of net assets. The Management Company shall not exclusively or systematically rely on ratings, but rather shall conduct a credit analysis at the time of investment.

The allocation between private and public debt is not determined in advance and will be based on market opportunities.

The leveraging effect shall not exceed the limits stipulated in Article IV 'Investment rules' of the prospectus.

c. Credit

The Fund may act on the credit market through the use of liquid derivative instruments, CDS (Credit Default Swap) in indexes such as the Markit iTraxx Europe and Markit iTraxx Europe Hivol indexes.

These indexes are based on 'investment grade' credit (rating higher or equal to BBB- in the Standard & Poor's rating scale or Baa3 on Moody’s or equivalent according to the Management Company's analysis) or so-called 'speculative' instruments (rating lower than BBB- or equivalent according to the Management Company's analysis) on European, Japanese or US markets, without any constraints regarding maturities. The Management Company shall not exclusively or systematically rely on ratings, but rather shall conduct a credit analysis at the time of investment.

These purchase or sale transactions will be made with the objective of gaining exposure and/or hedging.

Sensitivity: +5 /-5

The leveraging effect will not exceed 200%

d. Currencies

The Fund may take long or short positions and for relatively large amounts on the follow currencies: USD (United States), EUR (eurozone countries), JPY (Japan), GBP (Great Britain), AUD (Australia), CHF (Switzerland) and CAD (Canada).

The instruments used can be swaps, futures, options or NDFs (Non Deliverable Forwards: forward exchange transactions).

The Fund's exposure to currencies may represent up to 100% of the Fund's assets.

e. Volatility

In compliance with the 10% volatility objective of the portfolio, the Fund may take directional and relative value positions on the implicit volatility of equities, interest rate and exchange markets mentioned above. The strategies can be broken down into two categories:
• Directional strategies: These aim to expose the portfolio to the volatility of a given market, to purchasing or to selling. The resulting net Vega will be positive or negative.
• "Relative value" strategies: these aim to exploit 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 of a relative value strategy will be close to 0. These investments will be carried out using futures on the implicit volatility and on options markets.

The Fund may invest on the implicit volatility of 3 assets classes (equities, rates, exchange rates) in a Vega range of between -0.5 and +0.5.

The volatility strategy does not play a major role as a performance driver in the Fund's strategy. Exposure to volatility may not exceed 5% of the Fund's maximum risk envelope.

The Fund may invest in futures traded on French and foreign regulated markets but reserves the right to conclude OTC contracts where these contracts are better suited to the management objective or offer lower trading costs.

The manager may also take positions to expose and/or hedge the Fund by using derivatives on equity markets (futures, options), interest rate markets (interest rate swaps, interest rate futures and options) and on currency markets (foreign exchange swaps, forward exchange or spot transactions, futures and options).

The Fund may also use 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 market, interest rate or exchange risks, (ii) synthetically rebuild specific assets, or (iii) increase the Fund's exposure to equity market, interest rate or exchange risk, in order to achieve the management objective.

The Fund may also engage in temporary securities purchase and sale transactions in order to (i) ensure the investment of the liquid assets available (reverse repurchase transactions), (ii) optimise the performance of the portfolio (securities lending), (iii) establish an arbitrage position designed to take advantage of market opportunities.

Investors in eurozone countries are exposed to exchange risk.

2. Assets (excluding integrated derivatives)

a. Equities: no

b. Debt securities and money-market instruments: yes

c. UCI: yes, up to 10% of the assets
- UCITS under French or foreign law
- FIA meeting the 4 criteria of Article R214-13 of the Monetary and Financial Code

These UCIs will be used in particular to manage the Fund's cash flow or to benefit from an investment strategy for the Fund's management objective.

These UCIs may be managed by the Management Company or an associated company, as applicable.

3. Derivative instruments

The manager may take positions to partially or totally hedge and/or cover the portfolio against risk:
- equities: yes
- interest rates: yes
- currencies: yes
- credit: yes
- commodities: no

The Fund may use futures, options, CDS, TRS, swaps on the main equity, interest rate, credit and currency market indexes.

The use of derivatives as part of a directional market exposure will depend on the manager's outlook or the system used.

Management of financial guarantees relating to transactions on over-the-counter derivative financial instruments:
OTC transaction counterparties will be counterparties such as credit institutions, authorised by the Management Company and 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.
These transactions can be entered into with companies linked to the Management Company's Group.

These transactions may give rise to the guarantee deposit:
- of cash,
- of securities issued by OECD Member States,
- of other monetary UCITS/AIF units or shares.

The mutual fund shall not receive securities as collateral as part of the management of financial guarantees relating to transactions on over-the-counter derivative financial instruments and effective portfolio management techniques.

Financial guarantees received in cash may be:
- placed in deposit with a credit institution whose registered offices are located in an OECD Member State or in another country with equivalent prudential rules,
- invested in high-quality government bonds,
- invested in short-term money market funds as defined in the guidelines on a common definition of European money market funds.

4. Securities with embedded derivatives: none

5. Deposits:

The Fund reserves the right to make deposits of up to 10% in order to manage its cash flow.

6. Cash borrowings:

The Fund reserves the right to temporarily borrow cash up to the statutory limit (maximum 10%), in the event of liability adjustment.

7- Temporary securities purchase and sale transactions

o General description of transactions:

• Nature of activities:
Transactions for the temporary purchase or sale of securities shall be carried out in accordance with the Monetary and Financial Code. They shall be carried out within the framework of cash flow management and/or the optimisation of UCI income. In no circumstances shall these strategies aim to create or result in the creation of a leverage effect.

• Nature of transactions used:
These transactions shall consist of securities loans and borrowings and repurchase and reverse repurchase transactions of interest rate or credit products of OECD Member States. The instruments subject to transactions of this nature shall be bonds and other negotiable debt securities issued by public and/private entities and rated "investment grade" (rating higher than or equal to BBB- according to Standard&Poors or Baa3 according to Moody's) and/or speculative (rating lower than BBB- or Baa3).

o General data for each type of transaction:

• Envisaged level of use:
Transactions for the temporary sale of securities (securities lending, reverse repurchase transactions) may be carried out up to an amount equivalent to 50% maximum of UCI assets, while the transactions for the temporary purchase of securities (securities borrowing, repurchase agreements) may be carried out up to an amount equivalent to 10% maximum of UCI assets.
The expected proportion of assets under management that shall be subject to such transactions may be 25% of assets.

• Selection of counterparties:
The Management Company follows a specific selection process for financial intermediaries, also used for intermediaries designated for transactions for the temporary purchase or sale of securities. These intermediaries are selected based on their research quality, the cash assets that they offer, and their speed and reliability with regard to the execution and processing quality of orders.
At the end of this rigorous and regulated process, subject to a grade, the counterparties selected for transactions for the temporary purchase or sale of securities are credit institutions authorised by the Management Company which have their registered office in a Member State of the European Union.

• Remuneration:
No remuneration is due to the Depositary (within the framework of his capacity as Depositary) or to the Management Company for transactions for the temporary purchase or sale of securities. All income from these transactions is paid in full to the UCI.
The costs/fees relating to transactions for the temporary purchase and sale of securities are not invoiced to the Fund. These costs/fees are fully undertaken by the Management Company.
Moreover, the Management Company does not take any commission in kind for these transactions.

• Accepted guarantees:
Within the framework of transactions negotiated on OTC markets for the temporary purchase or sale of securities, the UCI may receive cash in its reference currency as collateral.
Guarantees are held by the Depositary of the UCI.

• Reinvestment policy and guarantees received:
Financial guarantees received in cash are reinvested in accordance with the rules in effect.
Financial guarantees received must be able to be fully enforced by the UCI at any time and without consulting or obtaining the approval of the counterparty.
Financial guarantees received in cash may be:
- placed in deposit;
- invested in high-quality government bonds;
- invested in short-term money market funds.
Securities received as collateral cannot be sold, reinvested or used as a guarantee deposit.

• Risks:
There is no correlation policy to the extent that guarantees received in cash in the reference currency of the UCI do not present an exchange risk or valuation risk due to fluctuating financial markets. Therefore, there is no haircut policy applied to the guarantee received.
The audit teams in charge of the Fund shall respect all the limits described under the heading "Envisaged level of use". The policy for financial guarantees in cash does not require a specific risk procedure in order to monitor collateral and associated haircuts.
The recourse to the purchase and/or sale transactions of securities may result in legal risks, in particular relating to contracts.

Management of financial guarantees relating to transactions on over-the-counter derivative financial instruments:
OTC transaction counterparties will be counterparties such as credit institutions, authorised by the Management Company and 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.
These transactions can be entered into with companies linked to the Management Company's Group.

These transactions may give rise to the guarantee deposit:
- of cash,
- of securities issued by OECD Member States,
- of other monetary UCITS/AIF units or shares.

The mutual fund shall not receive securities as collateral as part of the management of financial guarantees relating to transactions on over-the-counter derivative financial instruments and effective portfolio management techniques.

Financial guarantees received in cash may be:
- placed in deposit with a credit institution whose registered offices are located in an OECD Member State or in another country with equivalent prudential rules,
- invested in high-quality government bonds,
- invested in short-term money market funds as defined in the guidelines on a common definition of European money market funds.

Risk profile:

"Your money will be invested primarily in financial instruments selected by the Management Company. These instruments are subject to market changes and fluctuations."
The risks described below do not constitute an exhaustive list: investors should analyse the risks inherent to each investment and make their own decisions. Investors are exposed to the following risks through the mutual fund:

Risk of capital loss:
Investors should be aware that their capital is not guaranteed and may therefore not be returned to them.

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

Equity risk:
The Fund is exposed to equity markets. The variation of the rates of equities may have a negative impact on the Fund's net asset value. Any movement in the rate of equities contrary to the positions taken may lead to a drop in the net asset value. The mutual fund will therefore be subject to both the rises and falls of the equity markets in line with the positions taken.
Equity market exposure is between -60% and +60% of the assets of the mutual fund.

Interest rate risk:
The Fund is subject to interest rate risk on French and foreign markets. The variation of the level of interest rates may have a negative impact on the Fund's net asset value. Any movement in the rates contrary to the positions taken may lead to a drop in the net asset value. The mutual fund is therefore subject to the rise or fall in interest rates depending on the positions taken. The sensitivity spread of the portfolio is between -10 and +10.
If the sensitivity of the Fund is positive and if rates increase, then the net asset value will fall. If the sensitivity is negative and interest rates fall, then the net asset value will fall.

Exchange risk:
The mutual fund is subject to exchange risk. This is the risk of a fall in the investment currencies in relation to the portfolio's reference currency, the euro. Depending on the direction of the 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 Fund's exposure to currencies may represent up to 100% of the Fund's assets.

Risk linked to arbitrage transactions:
Arbitrage is a technique which consists of profiting from spreads in anticipated prices between markets and/or sectors and/or currencies and/or instruments. In the event of unfavourable trends in these arbitrages (increase in sale transaction and/or fall in purchase transactions), the value of the strategy falls and the net asset value of the mutual fund may fall significantly.

Volatility risk:
It is the risk of a fall in the net asset value brought about by a rise or fall in volatility which is decorrelated from the performances of traditional markets in dynamic securities. In case of an adverse movement in the volatility on the strategies implemented, the net asset value will suffer a fall.
If the Fund has taken a buying position and the implicit volatility falls, the net asset value of the mutual fund will fall.
If the Fund has taken a selling position and the implicit volatility rises, the net asset value of the mutual fund will fall.

Risk arising from investments in non-OECD countries (emerging markets):
The mutual 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 the Fund's investments. Their operational and supervisory conditions may differ from the standards prevailing on major international markets. In addition, investing in 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 mutual fund's portfolio. The net asset value of the mutual fund may fall as a consequence.

Risk arising from overexposure:
The Fund may use financial futures (derivatives) to generate overexposure and thus expose the Fund beyond the level of its net assets. Depending on the direction of the 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 Fund.

Credit risk:
These risks may arise from a downgrading 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 Fund to fall. As part of a bond investment, there is a direct or indirect risk relating to the possible presence of lesser quality 'high-yield' bonds. 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 mutual fund unit may therefore decrease if the value of these securities in the portfolio falls.

Counterparty risk:
Counterparty risk arises from entering into contracts in financial futures traded on over-the-counter markets, and from temporary purchases and sales of securities. This is the risk that a counterparty may default on payment. Thus, the default of a counterparty may lead to a decline in the net asset value.

Potential risk of a conflict of interest:
This risk relates to the completion of temporary purchases and sales of securities transactions, during which the mutual fund uses an entity as counterparty and/or financial intermediary that is linked to the group to which the mutual fund's Management Company belongs.

Target investors:

I units	Intended for professional clients within the meaning of MiFID
TC EUR units	All subscribers without payment of retrocession fees to distributors
S units	Large institutional investors
R units	All subscribers, including investors subscribing via distributors providing a non-independent advisory service within the meaning of MiFID II or Reception and Transmission of Orders (RTO) with services

The Fund is essentially aimed at investors seeking dynamic management with exposure to emerging markets (20% in non-OECD countries) and speculative securities.

How to subscribe to T units:
Subscriptions for T units (net units) are reserved:
- for investors subscribing through distributors or intermediaries:

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

- for funds of funds

Any arbitrage of fund units towards T units will benefit from the MiFID II tax exemption until 31/12/2018 (letters dated 16 March 2017 and 31 October 2017 of the Directorate-General for Public Finance, which confirms that such exchange transactions benefit from the tax deferral provided for in Article 150-0 B of the General Tax Code; www.la-francaise.com), provided that subscriptions for T units are immediately preceded by a redemption in R units by the same unitholder for a product equivalent to the number of redeemed units and on the same net asset value date.

U.S. investors

Mutual fund units have not been and will not be registered under the U.S. Securities Act of 1933 (hereinafter the "Act of 1933") or any other law applicable in a U.S. state. Units may also not be directly or indirectly transferred, offered or sold in the United States of America (including its territories and possessions) to any U.S. Person (hereinafter "U.S. Person"), as defined in the American Regulation "Regulation S" of the Act of 1933 as adopted by the Securities and Exchange Commission ("SEC") unless (i) the units have been registered or (ii) an exemption applies (with the prior agreement of the Management Company's governing body).
The mutual fund has not been and will not be registered under the U.S. Investment Company Act of 1940. Any re-sale or transfer of units in the United States of America or to a U.S. Person may be in breach of U.S. law and requires the written agreement of the Management Company of the mutual fund. Those wishing to acquire or purchase units will have to certify in writing that they are not U.S. Persons.

The appropriate amount to invest in the mutual fund depends on your personal financial situation. In order to determine this amount, 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 that they are not exposed solely to the risks of this mutual fund.

Recommended investment period:
This Fund may not suit investors who expect to withdraw their contribution within 2 years.

Methods of determining and allocating distributable amounts:

I units	Capitalisation
TC EUR units	Capitalisation
S units	Capitalisation
R units	Capitalisation

The distributable amounts are made up of:
1. Net income, which is equal to total interest payments, arrears, dividends, bonuses and lots, fees and all earnings from securities held in the Fund's portfolio, plus earnings from amounts held as liquid assets, minus management fees and borrowing costs, plus the amount carried forward and plus or minus the balance of prepayments and accrued income;
2. The realised capital gains, net of costs, minus the realised capital losses, net of costs, during the financial year, plus the similar net capital gains realised during the previous financial years which were not subject to distribution or capitalisation, minus or plus the balance of accrued capital gains.

Accounting currency:
EUR

Subscription and redemption terms:

The orders for purchase (in an amount or in hundred thousandths of units) and redemption (in hundred thousandths of units) received by La Française AM Finance Services are processed every trading day (D) at 11 a.m. (if the Stock Exchange is open in Paris, or on the following trading day, excluding statutory public holidays in France) and are executed based on the next net asset value calculated on D+1.
The associated clearances will be made on the second trading day following the date of the net asset value (D+2).

S units are divided by 5 on 20 July 2012.

Minimum initial subscription value:

I units	EUR 150,000
TC EUR units	None
S units	EUR 1,000,000
R units	None

Minimum value for subsequent subscriptions:

I units	None
TC EUR units	None
S units	None

R units	None

Date and frequency of the net asset value:

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

Initial net asset value:

I units	EUR 1,000
TC EUR units	EUR 100
S units	EUR 5,000,000
R units	EUR 100

Location where the net asset value is published:

The Management Company's premises and online at: www.la-francaise.com

Charges and fees:

Subscription and redemption fees:

Subscription fees are added to the subscription price paid by the investor and redemption fees are deducted from the redemption price. The fees received by the UCITS offset the charges it incurs in investing or divesting the assets entrusted to it. Fees that are not paid to it revert to the Management Company, marketer, etc.

Fees charged to the investor, levied at the time of subscription and redemption	Base	Rate/scale
Subscription fee not paid to the UCITS	Settlement value X Number of units	**I units:** 4.00% maximum **TC EUR units:** None **S units:** 4.00% maximum **R units:** 4.00% maximum
Subscription fee paid to the UCITS	Settlement value X Number of units	**I units:** None **TC EUR units:** None **S units:** None **R units:** None
Redemption fee not paid to the UCITS	Settlement value X Number of units	**I units:** None **TC EUR units:** None **S units:** None **R units:** None
Redemption fee allocated to the UCITS	Settlement value X Number of units	**I units:** None **TC EUR units:** None **S units:** None **R units:** None

Operating and management fees:

These fees cover all costs charged directly to the UCITS, apart from transaction costs. Transaction costs include intermediation costs (brokerage, stock exchange tax, etc.) and any turnover fees, charged notably by the Depositary and the Management Company.

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

- outperformance fees. These are paid to the Management Company when the UCITS has exceeded its objectives. They are therefore charged to the UCITS;

- turnover fees charged to the UCITS.

	Costs billed to the UCITS	**Base**	**Rate/scale**
1	Financial management fees	Net assets	**I & TC EUR units:** 1.332% maximum rate (including taxes) **S units:** 0.932% maximum rate (including taxes) **R units:** 1.932% maximum rate (including taxes)
2	Administrative fees not paid to the Management Company	Net assets	**I & TC EUR & R & S units:** 0.068% maximum rate (including taxes)
3	Maximum indirect costs (commission and management fees)	Net assets	None
4	Turnover fees	Deducted from each transaction	**Equities**: 0.40% (with a minimum of EUR 120) **Convertible bonds <5 years:** 0.06% **Convertible bonds >5 years:** 0.24% **Other bonds:** 0.024% (with a minimum of EUR 100)

			Monetary instruments: 0.012% (with a minimum of EUR 100) **Swaps:** EUR 300 **Forward exchange**: EUR 150 **Spot exchange**: EUR 50 **UCI**: EUR 15 **Futures**: EUR 6 **Options:** EUR 2.50
5	Outperformance fee	Net assets	**I units, R units, S units, TC EUR units:** The variable component of the management fees will amount to a maximum of 20% (incl. tax) of the difference, if positive, between the performance of the Fund and that of the 1 month Euribor capitalised index, plus 3.50%.*

* The outperformance is calculated by comparing the growth in the Fund's assets with that in the assets of a benchmark fund that achieves a performance identical to that of the 1 month Euribor capitalised index plus 3.50% and records the same subscription and redemption variations as the actual Fund.

As of 1 January 2016, these variable management fees are capped at 2% (incl. tax) of the net assets.

A provision or, where applicable, a reversal of the provision in the event of underperformance is recognised for each net asset value calculation.

The share of variable fees corresponding to redemptions reverts definitively to the Management Company.

The reference period of each of the units of the Fund may not be less than one year, whichever unit is concerned.

Other costs billed to the UCITS:
- contributions due to the UCITS management pursuant to Article L621-5-3 (II)(3)(d) of the French Monetary and Financial Code;
- taxes, duties, licence fees and government fees (relating to the UCITS), both extraordinary and non-recurring;
- extraordinary and non-recurring costs relating to debt recovery or a procedure for asserting a right (e.g. class action procedure).

Choice of financial intermediaries:
The financial intermediaries will be independently selected by the Management Company based on different criteria: the quality of the provider, research, execution, set prices, quality of the Back Office for clearing and settlement transactions. The Management Company is prohibited from placing its orders through a single intermediary.

For further information, unitholders may refer to the mutual fund's annual report.

3. Commercial information

1. The distribution of the Fund units is handled by LA FRANCAISE AM FINANCE SERVICES, CMNE, Banque Coopérative and Mutuelle Nord Europe.

2. Subscription/redemption orders are processed by LA FRANÇAISE AM FINANCE SERVICES.

3. Information about the 'La Française Allocation' mutual fund is available on the Management Company’s premises or online at: www.la-francaise.com.

4. Information regarding consideration of ESG (environmental, social and quality of governance) criteria in the investment policy is available on the Management Company's website: www.la-francaise.com and stated in the annual report.

5. Transmission of the composition of the portfolio: the Management Company may transmit, directly or indirectly, the breakdown of assets of the UCI to unitholders of the UCI having the status of professional investors, only for purposes associated with regulatory obligations as part of the calculation of shareholders' equity. This transmission, where applicable, shall be carried out within a period of no less than 48 hours following the publication of the net asset value.

4. Investment rules

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

5. Total risk method

Method used to calculate the overall risk: absolute VaR method. The Fund's VaR is limited by the Management Company and may not exceed 20% of the Fund's net assets with a confidence interval of 99% and a monitoring period not exceeding 20 working days.

The indicative leverage effect (total nominal value of the positions on the financial contracts used) may not exceed 400% of the Fund's assets. However, this level may be higher under exceptional market circumstances.

6. Valuation and accounting rules for the assets

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

All transferable securities in the portfolio are recorded at historic cost, excluding transaction costs.

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

Transferable securities

- Listed securities: at market value – excluding accrued coupons on bonds – closing price. Foreign prices are converted to euros using the closing exchange rates on the valuation day. Transferable securities whose price has not been noted on the valuation day are valued at the last officially published rate or at their probable trading value, under the responsibility of the Management Company.

- UCITS/AIF: at the last known net asset value.

- Negotiable debt securities and swaps maturing in more than three months are revalued at market value. When the time to maturity becomes equal to three months, negotiable debt securities are calculated using a linear method up to maturity. If they are purchased with less than three months' maturity, interest is calculated using a linear method.

- Any temporary securities purchase and sale transactions will be valued according to the provisions of the contract. Some fixed-rate transactions with a time to maturity of more than three months may be valued at market price.

Financial futures

French and European markets: fixing value at closing on valuation days. American market: fixing value at closing on the previous day. Asian market: closing market prices.

The commitments on the conditional futures markets are calculated in VaR.

Commitments on swaps are valued at their market value.

Forward exchange contracts are valued using the closing exchange rates on the valuation date, taking into account the premium/discount.

The valuation price of credit default swaps (CDS) comes from a contributor chosen by the Management Company.

Accounting method for interest

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

7. Remuneration

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

2011/61/EU. The remuneration policy of the Management Company is designed to promote good risk management and to discourage risk-taking which would exceed the tolerable level of risk, by taking into account the investment profiles of the funds under management and by implementing measures enabling any conflicts of interests to be avoided. The remuneration policy is reviewed annually.

The remuneration policy of the Management Company, detailing the way in which remuneration and benefits are calculated, is available free of charge from the registered office of the Management Company. A summary is available online at: http://lfgrou.pe/MnDZx7

MUTUAL FUND RULES
La Française Allocation

HEADING 1: ASSETS AND UNITS

Article 1: Co-ownership units

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

The duration of the Fund shall be 99 years from its launch, except in the event of early dissolution or extension as provided for under these rules.

The units may be divided, regrouped or split into tenths, hundredths, thousandths, ten thousandths or hundred thousandths – fractional units – on the decision of the Management Company's Executive Board.

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

The different classes of units may:
- use different income distribution procedures (distribution or capitalisation or carry forward);
- be denominated in different currencies;
- have different management fees;
- have different subscription and redemption fees;
- have a different nominal value;
- be systematically hedged against risk, in part or in full, as defined in the prospectus. This hedging is provided through financial instruments, minimising the impact of hedging on the other classes of units of the mutual fund;
- be confined to one or more marketing channels.

The provisions of these rules regulating the issue and redemption of units shall also apply to fractional units, the value of which is always proportional to that of the unit they represent. Unless otherwise stipulated, all other provisions of these rules relating to units also apply to fractional units, without it being necessary to state this explicitly.

The Executive Board of the Management Company may decide unilaterally to split units by creating new units to be allocated to the unitholders in exchange for the old units.

Article 2: Minimum assets

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

Article 3: Issue and redemption of units

Units may be issued at any time at the request of the unitholders, based on their net asset value plus any subscription fees, where applicable.
Redemptions and subscriptions are carried out according to the terms and conditions set out in the prospectus.
Units of the mutual fund may be admitted to the official listing in accordance with the regulations in force.
Subscriptions must be fully paid-up on the date of calculation of the net asset value. They may be paid for in cash and/or through the contribution of transferable securities. The Management Company shall be entitled to reject securities offered to it, and to this end shall have a period of seven days from the date of receipt of the securities to announce its decision. If the securities are accepted, they are valued in accordance with the rules set out in Article 4 and the subscription is carried out on the basis of the net asset value immediately following acceptance of the securities concerned.
All redemptions are made exclusively in cash, except where the Fund is liquidated and where unitholders have expressed their consent to reimbursement in the form of securities. Redemptions are settled by the bookkeeper no later than five days after unit valuation.

Under exceptional circumstances, however, where reimbursement requires the prior disposal of assets held in the Fund, this period may be extended to a maximum of 30 days.
Except in the case of inheritance or inter vivos distribution, the disposal or transfer of units from one unitholder to another or to a third party is treated as a redemption followed by a subscription. In the case of a third party, the amount of the disposal or transfer must, if necessary, be made up by the beneficiary to the minimum subscription amount specified in the prospectus.
Pursuant to Article L214-8-7 of the French Monetary and Financial Code, both the redemption by the mutual fund of its units and the issue of new units may be suspended on a temporary basis by the Management Company where required by exceptional circumstances and where this is in the interests of the unitholders.
Where the net assets of the mutual fund fall below the amount set out in the regulations, no units may be redeemed.
Minimum subscription conditions may be set out in the prospectus.
The mutual fund may suspend the issue of units pursuant to the second paragraph of Article L214-8-7 of the French Monetary and Financial Code in objective situations leading to the suspension of subscriptions, such as a maximum number of units or shares being issued, a maximum amount of assets being achieved or the expiry of a specified subscription period. These objective situations are defined in the mutual fund prospectus.

The Management Company reserves the right to restrict or deny the direct or indirect holding of Fund units by any person or entity which is prohibited from holding the Fund units (hereinafter “Ineligible Person”) as described below:
An Ineligible Person is:
- a U.S. Person as defined in SEC Regulation S of the Securities and Exchange Commission (SEC) (Part 230 – 17 CFR 230.903); or
- any other person who (a) is directly or indirectly in violation of the laws and regulations of any country or government institution, or (b) may, in the opinion of the Management Company of the mutual fund, cause damage to the mutual fund, which it would have otherwise not endured or suffered.
To this end, the Management Company of the mutual fund may:
(i) refuse to issue any units as soon as it becomes evident that such issuance will or may result in the aforementioned units being directly or indirectly held by or for an Ineligible Person;
(ii) demand, at any time, that a person or entity whose name appears on the register of unitholders provide any information, accompanied with a solemn declaration, which it deems necessary in order to establish whether the actual beneficiary of the relevant units is an Ineligible Person or not;
and
(iii) when it is apparent that a person or entity is (i) an Ineligible Person and, (ii) solely or jointly, the effective beneficiary of the units, proceed with the forced redemption of all the units held by a unitholder without delay and, at the latest, within five days.
The forced redemption will take place at the last known net asset value, minus, where applicable, the relevant fees, rights and commissions, which will be charged to the Ineligible Person within five days, during which time the actual beneficiary of the units may present his observations to the competent authority.
This power also covers any person (i) who is in direct or indirect violation of the laws and regulations of any country or government institution, or (ii) may, in the opinion of the Management Company of the mutual fund, cause damage to the mutual fund, which it would have otherwise not endured or suffered.

Article 4: Calculation of net asset value

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

HEADING 2: OPERATION OF THE FUND

Article 5: The Management Company

The Fund is managed by the Management Company in accordance with the strategy defined for the Fund.
The Management Company shall act under all circumstances in the exclusive interests of the unitholders and may alone exercise the voting rights attached to the securities in the Fund.

Article 5a: Operating rules

The instruments and deposits in which the UCI may invest and the investment rules are specified in the prospectus.

Article 6: The Depositary

The Depositary carries out the assignments incumbent upon it in application of the applicable legislation and regulations, as well as those binding on it as applied by the Management Company. It must ensure the legality of decisions taken by the portfolio Management Company. Where necessary, it must take all the precautionary measures that it deems to be necessary. In the event of any dispute with the Management Company, it shall inform the AMF.

Article 7: Statutory auditor

A statutory auditor is appointed by the Executive Board of the Management Company for a period of six financial years, subject to the approval of the AMF.
It certifies the consistency and accuracy of the accounts.
The statutory auditor’s term of office may be renewed.
The statutory auditor is required to notify the AMF as quickly as possible of any fact or ruling regarding the UCITS of which it becomes aware over the course of its assignment, of a nature that:
1. constitutes a breach of the legislative or regulatory provisions applicable to this body and liable to have significant effects on the financial situation, the profits or the assets;
2. jeopardises the conditions or the continuity of its operation;
3. leads to the issuance of reserves or the refusal to certify the accounts.

The valuations of the assets and the calculation of the exchange parity in conversion, merger or demerger transactions shall be supervised by the statutory auditor.
It assesses all contributions in kind under its responsibility.
It monitors the composition of the assets and other elements prior to publication.
The statutory auditor's fees are fixed by mutual agreement between the statutory auditor and the Executive Board of the Management Company on the basis of a work schedule specifying the duties which are considered to be necessary.
It shall certify the situations on the basis of which interim distributions are made.
Its fees shall be covered by the management fees.

Article 8: Financial statements and management report

At the close of each financial year, the Management Company shall draw up summary documents and a report on the management of the Fund for the past financial year.
The Management Company shall draw up, at least semi-annually and under the supervision of the Depositary, the inventory of assets of the UCI.
The Management Company shall make these documents available to unitholders within four months of the end of the financial year, and will inform them of the income to which they are entitled: these documents shall be sent to unitholders by post at their express request or made available to them at the offices of the Management Company.

HEADING 3: PROCEDURES FOR ALLOCATING DISTRIBUTABLE AMOUNTS

Article 9: Procedures for allocating income and distributable amounts

The distributable amounts are made up of:
1) the net profit plus the amount carried forward, plus or minus the balance of prepayments and accrued income;
2) the realised capital gains, net of costs, minus the realised capital losses, net of costs, during the financial year, plus the similar net capital gains realised during the previous financial years which were not subject to distribution or capitalisation, minus or plus the balance of accrued capital gains.
The amounts stated in 1) and 2) may be distributed, in whole or in part, independently of each other.
Payment of the distributable amounts shall be carried out within five months of the end of the financial year.
The net income of the mutual fund is equal to total interest payments, arrears, premiums and bonuses, dividends, attendance fees and all earnings from securities held in the Fund's portfolio, plus earnings from amounts held as liquid assets, minus management fees and borrowing costs.
The Management Company shall decide how income will be distributed.
For each equity category, as applicable, the mutual fund may opt for one of the following formulae for each of the amounts detailed in 1) and 2):
Pure capitalisation: the amounts available for distribution are fully capitalised, with the exception of those that are subject to mandatory distribution by law;
Pure distribution: the amounts are fully distributed, to the nearest rounded figure.
For mutual funds seeking to maintain the freedom to capitalise and/or distribute and/or carry distributable amounts forward, the Management Company shall decide on the allocation of each of the amounts detailed in 1) and 2) each year.

As applicable, during the course of the financial year, the Management Company may decide to make one or more prepayments not exceeding the net income of each of the amounts detailed in 1) and 2); these prepayments are recorded at the date of the decision.
The exact methods for the allocation of income are detailed in the prospectus.

Article 10: Merger – Demerger

The Management Company may transfer all or part of the assets held in the Fund to another UCITS which it manages, or it may split the Fund into two or more other mutual funds which it will manage.
Unitholders must be notified before any such merger or demerger takes place. A new statement will then be issued showing the number of units held by each unitholder.

Article 11: Winding up – Extension

If the assets in the Fund remain below the amount laid down above in Article 2 for 30 days, the Management Company shall advise the AMF and dissolve the Fund, unless there is a merger operation with another mutual fund.
The Management Company may dissolve the Fund early; it shall inform the unitholders of its decision, and subscription or redemption orders will not be accepted after this date.
The Management Company shall also dissolve the Fund in the event of a redemption order for all of the units, or where the Depositary is relieved of its responsibilities and no other Depositary has been appointed, or on expiry of the term of the Fund, if not extended.
The Management Company shall inform the AMF by post of the date and of the procedure adopted for dissolution. Subsequently, the Management Company shall send the statutory auditor’s report to the AMF.
The Management Company, in agreement with the Depositary, may decide to extend a fund. Its decision must be taken at least three months prior to expiry of the Fund's term, and must be notified to the unitholders and the AMF.

Article 12: Liquidation

In the event of dissolution, the Management Company shall act as liquidator, failing which a liquidator shall be appointed by the court at the request of any interested party. To this end, they are vested with the most extensive powers for liquidating assets, paying creditors and distributing the available balance to unitholders in cash or securities.
The statutory auditor and the Depositary shall continue to carry out their duties until the liquidation operations have been completed.

Article 13: Jurisdiction – Choice of domicile

Any disputes concerning the mutual fund arising during its existence or upon its liquidation, whether between unitholders, or between unitholders and the Management Company or the Depositary, shall be subject to the jurisdiction of the competent courts.