LA FRANÇAISE

Key investor information

This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

La Française LUX - Sub Debt - Class I - EUR - DISTRIBUTION-LU1190461811

A share class of La Française LUX - Sub Debt (the "Fund"), a sub-fund of the UCITS La Française LUX (The "UCITS") The Fund is managed by La Française AM International, part of La Française group of companies

OBJECTIVES AND INVESTMENT POLICY

The objective of the Fund is to achieve an annual return of more than 7% over a recommended investment horizon of more than 10 years through exposure, in particular, to subordinated debt securities with a specific risk profile different from that of conventional bonds.
The Fund is a feeder fund of La Française Sub Debt, as further described below (the "Master-Fund") and will at all time invest at least 85% of its assets in the Master-Fund.

The Fund may invest up to 15% of its assets in ancillary liquid assets.

The Fund will invest in the F unit class of the Master-Fund.

The Master-Fund's investment universe includes bonds and negotiable debt securities issued or guaranteed by Member States of the European Union (public debt), non-government bonds (private debt) in the European Union and denominated in Euros, convertible bonds and money market instruments.
This investment universe includes, in particular, all types of subordinated debt.
The allocation between private and public debt is not determined in advance and will be based on market opportunities.
The Master-Fund may invest without reference to specific credit rating criteria.

- Sensitivity range : between 0 and 10
- Geographic area of the issuers of securities to which the Master-Fund is exposed: European Union up to 100%.
- Level of exchange-rate risk supported by the mutual fund : none

The Master-Fund may also invest up to 10% in shares or units of UCITS.

The Master-Fund may also invest in financial futures, traded on French and foreign regulated markets or OTC.

In this context, the manager may take positions to hedge and/or expose the portfolio to interest-rate and/or equity market risks (exposure to equity risk shall not exceed 10% of the net assets), through futures, options and/or swaps, CDS single name and/or CDS on indices for hedging purposes only.

You can buy and sell shares of the Fund daily.
The income generated by the share class Class I - EUR - DISTRIBUTION is distributed.
Recommendation: This Fund may not be appropriate for investors who plan to withdraw their money within 10 years.

RISK AND REWARD PROFILE

Lower risk — Higher risk

Typically lower rewards — Typically higher rewards

1	2	3	4	**5**	6	7

Risk and Reward Profile: The SRRI (Synthetic Risk and Reward Indicator) demonstrates where the Fund ranks in terms of its potential risk and return. The higher the Fund's position on this scale, the greater possible reward, but also the greater risk of losing money.
The risk category is 5 and reflects the risk, through the Master-Fund, of investing in securities denominated in euros, without reference to specific credit rating criteria, issued by public or private sector bodies, in European Union.
We bring your attention to the fact that:
- Historical data used in calculating the SRRI may not be a reliable indication of the future risk profile of the Fund.
- The risk indicator shown above is not guaranteed and it may shift over time. The lowest category does not mean a risk free investment.

Risks materially relevant to the Fund which are not adequately captured in the indicator:
Risk linked to the impact of management techniques: risk of increased losses owing to the use of financial futures instruments such as OTC financial agreements, and/or the temporary acquisition and transfer of securities, and/or futures contracts, and/or derivative instruments. This risk may lower the net asset value.

Counterparty risk: the Fund enters into contracts with various counterparties. If a counterparty does not fulfil its obligations to the Fund (e.g. not paying an agreed amount or not delivering securities as agreed) the Fund can suffer a loss.
Contingent Convertible ("Coco") Bond Risk: investment in this particular type of bond may result in material losses to the Fund based on certain trigger events. The existence of these trigger events creates a different type of risk from traditional bonds and may more likely result in a partial or total loss of value or alternatively they may be converted into shares of the issuing company which may also have suffered a loss in value. Such trigger events may include a reduction in the issuers' capital ratio, determination by a regulator or the injection of capital by a national authority. Investors should be aware that in the event of a financial crisis that action by regulators or the companies themselves may cause concentrations of these trigger events across the Fund.
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.

CHARGES

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

ONE-OFF CHARGES TAKEN BEFORE OR AFTER YOU INVEST	
Entry charge	3.00%
Exit charge	None

This is the maximum that might be taken out of your money before it is invested and/or before the proceeds of your investment are paid out.
The entry and exit charges shown are maximum figures. In some cases you might pay less - you can find this out from your financial adviser.

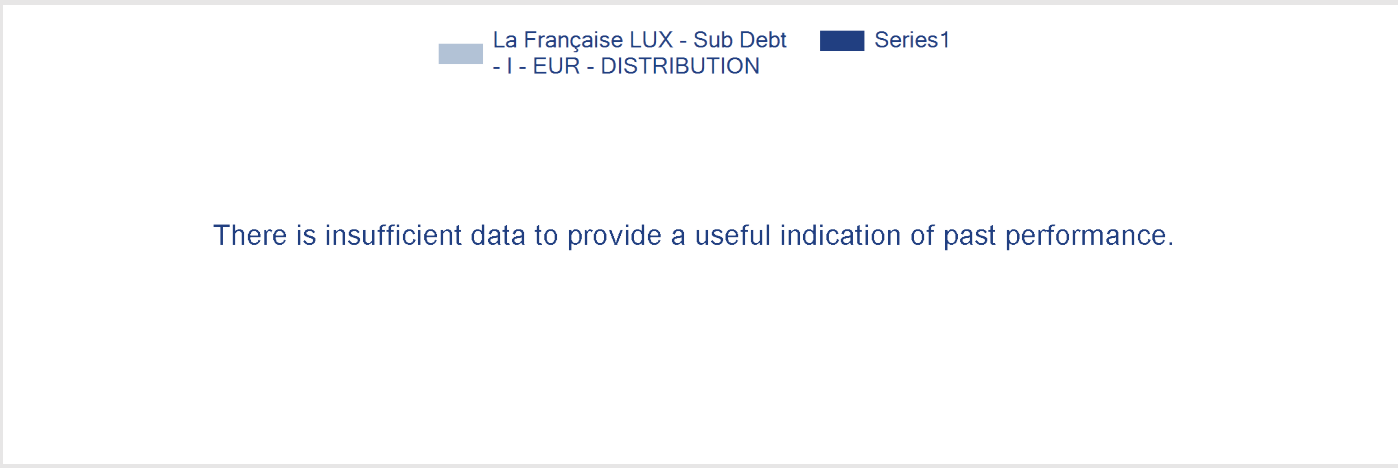
CHARGES TAKEN FROM THE FUND OVER A YEAR	
Ongoing charges	0.76%

The ongoing charges figure shown here is an estimate of the charges.The UCITS' annual report for each financial year will include detail on the exact charges made.

CHARGES TAKEN FROM THE FUND UNDER CERTAIN SPECIFIC CONDITIONS	
Performance fee	-

25% of the outperformance calculated by comparing the evolution of the assets of the Sub-Fund to the assets of a similar fund achieving a return of exactly 7% per year and registering the same variations in subscriptions and redemptions as the real Sub-Fund.
For more information about charges, please refer to the UCITS' prospectus, which is available at the registered office of the UCITS.

PAST PERFORMANCE



The Fund came into existence during the year 2015.

PRACTICAL INFORMATION

Depositary: BNP Paribas Securities Services, Luxembourg Branch
Further information about the Fund and English copies of annual reports, semi annual reports and prospectus can be obtained free of charge upon request at the UCITS registered office.
Other practical information, including the latest prices of units, is made available to the public at the UCITS registered office or on www.lafrancaise-am.com
The present document describes a share-class of a sub-fund of the UCITS. The prospectus and the periodic reports are prepared for the entire UCITS named at the beginning of this key investor information document.
The tax legislation of the UCITS may have an impact on your personal tax position.
La Française AM International may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the UCITS.
Each sub-fund corresponds to a distinct part of the assets and liabilities of the UCITS.
You have the right to convert your shares into shares of another existing class of the Fund. Information about how to exercise this right can be obtained at the UCITS registered office or on www.lafrancaise-am.com.
You can obtain information on the share-classes that are marketed in a specific country at the registered office of the UCITS or on www.lafrancaise-am.com.
This Fund is authorised in Luxembourg and regulated by the CSSF (Commission de Surveillance du Secteur Financier).
La Française AM International is authorised in Luxembourg and regulated by the CSSF.
This key investor information is accurate as at 18/06/2015.