



LA FRANÇAISE

UCITS  
under Directive 2009/65/EC

# PROSPECTUS

## La Française Rendement Global 2022

Mutual Fund

### 1. General information

#### 1.1 Legal form of the UCITS

**Name:**

La Française Rendement Global 2022

**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:**

17/09/2014 - 99 years

**Date of approval by the Financial Markets Authority:**

29/07/2014

**Summary of the management offer**

Type of unit	ISIN code	Initial net asset value	Sub-funds	Allocation of distributable amounts	Denomination currency	Target investors	Minimum initial investment value
I units	FR0012020659	EUR 1,000	No	Capitalisation	EUR	All investors, particularly institutional investors	EUR 100,000
D USD H	FR0013183597	USD 100	No	Distribution	USD	All investors	USD 1,000
IC USD H	FR0013055894	USD 1,000	No	Capitalisation	USD	All investors, particularly institutional investors	USD 100,000
IC CHF H	FR0013048303	CHF 1,000	No	Capitalisation	CHF	All investors, particularly institutional investors	CHF 100,000
R units	FR0012020675	EUR 100	No	Capitalisation	EUR	all investors	None
F units	FR0012020683	EUR 100	No	Capitalisation	EUR	Units aimed at the La Française AM Fund – LFP Rendement Global 2022 feeder fund	None
D units	FR0012020667	EUR 100	No	Distribution	EUR	All investors	None

The minimum initial investment value does not apply to the Management Company or to the entities of the La Française Group, which may only purchase one unit.

Units in foreign currencies are systematically hedged against exchange risk for the reference currency of the Fund.

**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

For further information, please contact the Marketing Department of the Management Company by e-mail at: [contact-valeursmobilières@lafrancaise-group.com](mailto:contact-valeursmobilières@lafrancaise-group.com).

## 1.2 Participants

### **Management Company:**

LA FRANÇAISE ASSET MANAGEMENT

Simplified joint stock company, entered in the Paris Trade and Companies Register under number 314 024 019

Management company approved by the 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, listed 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 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 regularity of the decisions of the Management Company (as defined in Article 22(3) of the UCITS V directive), the monitoring of the UCITS cash flow (as defined in Article 22(4)) and the safekeeping of 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:**

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

LA FRANCAISE AM FINANCE SERVICES

Customer service  
128, boulevard Raspail, 75006 PARIS

Caisse Fédérale du Crédit Mutuel Nord Europe, Caisses du Crédit Mutuel Nord  
4, place Richebé, 59800 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

**Advisors:**

None

**Centralising agent:**

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

**Appointed establishment responsible for purchase 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 the right attached to each unit category: each unitholder has a right of co-ownership in relation to the Fund's assets, proportional to the number of units held.
- Liabilities managed by BNP Paribas Securities Services.
- Units admitted to EUROCLEAR France.
- Voting rights: 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 thousandths

**Closing dates:**

- End of accounting period: last trading day in December
- Closing date of the 1st financial year: 31 December 2014

**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. We recommend that you consult with the marketer of the UCITS on this subject. Unitholders should contact an advisor.*

### 2.2 Specific provisions

**ISIN code:**

I units	FR0012020659
D USD H	FR0013183597

IC USD H	FR0013055894
IC CHF H	FR0013048303
R units	FR0012020675
F units	FR0012020683
D units	FR0012020667

**Classification:**

Bonds and other international debt securities

**Management objective:**

The management objective is, over the recommended investment period of 8 years from the launch date of the Fund until 31 December 2022, to outperform (net of fees) bonds issued by the French Government denominated in euros maturing in 2022. The profitability of the 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 and credit spreads.

**Benchmark index:**

The Fund is not linked to a benchmark index.

The average time to maturity of the bond portfolio is around eight years from the date it was launched. The average time to maturity drops each year to reach that of a monetary investment in 2022.

The mutual fund is neither an index fund nor an index benchmark and is exposed to credit risk but, for post-hoc comparison purposes, the unitholder can refer to:

- the performance of the OAT 2.25% October 2022 [FR0011337880], for shares denominated in euros;

For information: actuarial yield rate at 17 June 2014: 1.43%

The OAT (fungible Treasury bond) is the instrument which has been used since 1985 by the French state for borrowing over periods ranging from 7 to 30 years, whether fixed rate or indexed rate, with a "bullet" repayment.

- the performance of the U.S. Treasury Bill 1.625% November 2022 [US912828TY62], for shares denominated in USD;

For information: average actuarial yield rate as at 26 November 2015: 2.01%

U.S. Treasury Bills are fixed-rate bond securities issued by the U.S. Treasury with a maturity of between 2 and 10 years and which are repaid upon maturity.

- the performance of the Emprunt Fédéral de la Confédération suisse 4% February 2023 [CH0008435569], for shares denominated in CHF.

For information purposes: average actuarial yield as at 19 November 2015: -0.57%

Emprunts fédéraux de la Confédération suisse (bonds issued by the Swiss government) are securities issued by the Banque Nationale Suisse (BNS) with a maturity of between 10 and 50 years and which are repaid upon maturity.

**Investment strategy:**

**1- Strategy used**

The investment strategy involves the discretionary management of a portfolio of bonds issued by private or public bodies, maturing on or before 31 December 2022.

The strategy is not limited to bond carrying; the Management Company may use arbitrage in the event of new market opportunities or an increased risk of defaulting by one of the issuers in the portfolio.

During the marketing period, the portfolio management will be active in order to manage overall exposure by means of risk management.

The management of the Fund is mainly based on the management team's in-depth knowledge of the selected companies' balance sheets and the fundamentals of sovereign debt.

To achieve the management objective, up to 100% of the portfolio is invested in fixed or floating rate bonds, other negotiable debt securities and money market instruments (Treasury bills, Treasury notes, certificates of deposit) from all economic sectors.

The manager investing in entities which are:

- Public and/or private from OECD countries [0–100%]
- Public from non-OECD countries [0–100%]
- Private from non-OECD countries [0–50%]

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

Up to 100% of the Fund will be invested 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).

Where the issue is not rated, the issuer's rating criterion will be taken into account. If the issuer is not rated, the security will not be eligible for the Fund, and will therefore be excluded from the scope of the investment.

The Management Company shall not exclusively or systematically use external ratings to determine which securities it would be useful to invest in. It will also perform an analysis at the time of investing, based on its management process. This analysis will mainly relate to the company's financial situation, its strategy, growth prospects and its business sector and the inherent regulatory risks.

Investment in convertible bonds is limited to maximum 30% of net assets.

The manager will invest in securities denominated in euros and/or dollars and/or pounds sterling. Insofar as the securities are not denominated in euros, the manager will systematically hedge the exchange risk. There may however be a residual exchange risk due to imperfect hedging.

Consequently, the selection of securities 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 sensitivity range for interest rates in which the mutual fund is managed	From 8 to 0 (decreasing over time).
Security denomination currencies in which the mutual fund is invested	EUR, USD, GBP: 0–100% of net assets
Level of exchange risk supported by the mutual fund	Residual due to imperfect hedging
Geographic area of the issuers of securities to which the mutual fund is exposed	OECD countries (all zones): 0–100% Non-OECD countries (emerging markets): 0–100%

The Fund may also invest up to 10% in units or equities of UCITS established under French or European law in accordance with the Directive 2009/65/EC.

Taking into account the investment strategy implemented, the Fund's risk profile is strongly tied to the selection of speculative securities which may represent up to 100% of the assets and therefore includes the default risk. The Fund's risk profile varies over time; the exposure to different risk factors gradually decreases as the investment period approaches its maturity.

On an exceptional and temporary basis in the event of a significant number of redemption requests, the manager may borrow cash up to a limit of 10% of its net assets.

The mutual fund will preferably use derivative instruments on organised futures markets but reserves the right to enter into OTC contracts where these contracts are better suited to the management objective or offer lower trading costs. The mutual fund reserves the right to trade on all European and international futures markets.

The manager may use financial futures instruments such as futures, forwards, options, rate swaps, currency swaps, forward exchange transactions, Credit Default Swaps (CDS on single underlying asset options), Non Deliverable Forwards.

They will mainly act with the aim of hedging and/or exposing the Fund to interest rate and/or credit futures markets, and with the aim of hedging future exchange markets.

The investment limit for the Fund on derivative instruments shall not exceed 100% of its net assets.

**As the Fund approaches maturity and depending on the prevailing market conditions, the Management Company shall opt either to continue the investment strategy, merge with another UCITS or liquidate the Fund, subject to the AMF's approval.**

## **2- Assets (excluding embedded derivatives)**

In order to achieve its management objective, the mutual fund will use different types of assets:

### **a) Equities:**

There is an indirect equity risk due to the exposure to convertible bonds; the Fund may be exposed to equities of all market caps and all economic sectors up to a maximum 10% of the net assets.

### **b) Debt securities and money market instruments:**

i. Negotiable debt securities: yes

ii. Bonds (fixed rate, floating rate, indexed): yes

- iii. Treasury bills: yes
- iv. Commercial paper: yes
- v. Certificates of deposit: yes
  - with the following characteristics:
    - all economic sectors
    - the selected securities shall be invested in the public and/or private sector.

c) **UCITS:**

Up to 10% of the Fund may be invested in units or equities of UCITS under French or foreign law in accordance with the Directive 2009/65/EC.

These UCITS may be managed by the Management Company or an associated company.

### 3- **Derivative instruments**

The mutual fund may trade in any futures or options as long as their underlying funds have a direct or correlated financial relationship with a portfolio asset, used for both hedging and exposure of the portfolio.

Nature of the markets used:

- regulated: yes
- organised: yes
- OTC: yes

Risks to which the manager seeks exposure:

- equities: yes
- interest rates: yes
- exchange rates: yes
- credit: yes
- indices: yes (rate)

Nature of activities:

- hedging: yes
- exposure: yes
- arbitrage: no
- 

Nature of the instruments used:

- futures: yes
- vanilla options (listed, OTC): yes
- swaps (interest rate, currency): yes
- forward exchange (NDF): yes
- credit derivatives: yes, CDS (single name)

OTC transaction counterparties will be first-class banking establishment counterparties 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 performed 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
- other monetary UCITS/AIF units or shares

The 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 to effective portfolio management techniques.

Financial guarantees received in cash must only be:

- placed in deposit with a credit institution whose registered office is located in an OECD Member State or in another country with equivalent prudential rules,
- invested in high-quality government bonds,
- used for the purposes of reverse repurchase transactions, as long as these transactions are undertaken with credit institutions that are subject to prudential supervision and on the condition that the mutual fund may recall the full amount of the liquid assets at any time, taking into account interest accrued;

- invested in short-term monetary undertakings for collective investment as defined in the guidelines for a common definition of European monetary undertakings for collective investment.

#### 4- **Securities with embedded derivatives**

Risks to which the manager seeks exposure:

- equities: yes
- interest rates: yes
- exchange: no
- credit: yes
- indices: yes (rate)

Nature of activities:

- hedging: yes
- exposure: yes
- arbitrage: no

Nature of the instruments used:

- Convertible bonds
- Warrants
- EMTN

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 a limit of 10% of its net assets.

7- **Temporary securities purchase and sale transactions:** none

#### **Risk profile:**

*"Your money will be mainly invested in financial instruments selected by the Management Company. These instruments are subject to market changes and fluctuations."*

#### Risk of capital loss:

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

#### Discretionary risk:

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

#### Interest rate risk:

The mutual fund is subject to interest rate risk on European and international markets. The interest rate risk is the risk that the value of the Fund's investments decreases if interest rates rise. Thus, when interest rates rise, the net asset value of the Fund may fall.

#### Credit risk relating to issuers of debt securities:

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" or speculative bonds. 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 mutual fund unit may therefore be lower when the value of these securities in the portfolio falls.

#### 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 Fund invest in speculative or unrated securities which could lead to an increased level of risk of the net asset value of the Fund decreasing and a loss of capital.

#### Risk associated with investments in (speculative) high-yield securities:

This 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 mutual fund unit may therefore be lower when the value of these securities in the portfolio falls.

Risk arising from investing in non-OECD countries (emerging markets):

The Fund may be exposed up to 100% 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 markets involves a high degree of risk due to the political and economic situation of these markets, which may affect the value of the mutual fund's investments. Their operational and supervisory conditions may differ from the standards prevailing on the 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 Fund may fall as a consequence.

Counterparty risk:

Counterparty risk arises from entering into contracts in financial futures instruments traded on over-the-counter markets. 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.

Risk associated with holding convertible bonds:

The 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 Fund's net asset value.

Exposure to equity risk shall be limited to maximum 10% of the net assets.

Exchange risk:

The mutual fund may invest in transferable securities denominated in currencies other than the reference currency. The manager will always hedge the exchange risk. There may however be a residual exchange risk due to imperfect hedging. The net asset value of the Fund may fall as a consequence.

**Target investors:**

I units	All investors, particularly institutional investors
D USD H	All investors
IC USD H	All investors, particularly institutional investors
IC CHF H	All investors, particularly institutional investors
R units	all investors
F units	Units aimed at the La Française AM Fund - LFP Rendement Global 2022 feeder fund
D units	All investors

Investors in this mutual fund are seeking a diversified bond investment over a recommended investment period running to 31 December 2022.

**Investors are informed that their main goal is to keep their investment up until 31 December 2022 in order to benefit from the best conditions regarding actuarial yield offered by the Fund.**

*The reasonable amount to invest in the UCITS 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 that they are not exposed solely to the risks of this UCITS.*

**Characteristics of units in foreign currencies:**

Units not in the same currency as the mutual fund currency are completely hedged, i.e. hedged against exchange risk via the use, in particular, of forward exchange contracts, swaps, forwards, etc.

There may however be a residual exchange risk due to imperfect hedging.

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.



**Recommended investment period:**

until 31 December 2022. This Fund may not suit investors who intend to withdraw their contribution before 31 December 2022.

**Methods of determining and allocating distributable amounts:**

I units	Capitalisation
D USD H	Distribution
IC USD H	Capitalisation
IC CHF H	Capitalisation
R units	Capitalisation
F units	Capitalisation
D units	Distribution

**D units:** the Management Company does not intend to make prepayments; distribution will be carried out on an annual basis.

**D USD H units:** the Management Company will make prepayments on a quarterly basis.

**Accounting currency:**

EUR

**Investment and redemption terms:**

Requests for investment (in value or thousandths of units) and redemption (in thousandths of units) shall be accepted by your usual financial intermediary on any day no later than 10.00 a.m. They are centralised by La Française AM Finance Services at 11.00 a.m. on the net asset value calculation dates (if the Stock Exchange is open in Paris, except for legal holidays in France) and executed on the basis of the next net asset value calculation (i.e. unknown at the time of execution).

Payments relating thereto are made on the second trading day following the processing date.

Each unit can be divided into thousandths.

**The Fund will be closed to investors on 28 September 2018 at 11.00 a.m.** From this date, only investments preceded by a redemption on the same day for the same number of units, for the same net asset value and by the same unitholder may be executed. In the event of a sharp decline in the immediate yield of the securities in the portfolio, the investment period may be closed. A notice announcing the early closure of the investment period shall be published on the Management Company's website: [www.lafrancaise-gam.com](http://www.lafrancaise-gam.com).

**Minimum initial investment value:**

I units	EUR 100,000
D USD H	USD 1,000
IC USD H	USD 100,000
IC CHF H	CHF 100,000
R units	None
F units	None
D units	None

**Minimum value for subsequent investments:**

I units	None
D USD H	None
IC USD H	None
IC CHF H	None
R units	None
F units	None
D 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.

**In the interest of unitholders, during the marketing period up until 28 September 2018, the Fund will be valued at the asking price; beyond this period ending on 28 September 2018, the Fund will be valued at the bid price.**

**Initial net asset value:**

I units	EUR 1,000
D USD H	USD 100
IC USD H	USD 1,000
IC CHF H	CHF 1,000
R units	EUR 100
F units	EUR 100

**Location where the net asset value is published:**

premises of the Management Company and on the website: [www.lafrancaise-gam.com](http://www.lafrancaise-gam.com)

**Charges and fees:***Sales charges and redemption fees:*

*Sales charges are added to the investment 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.*

Charges to be paid by the investor, deducted at the time of investment or redemption	Base	Rate/scale	
Sales charge not paid to the UCITS	Net asset value x number of units	<b>I units</b> 3.00% maximum <b>D USD H</b> 3.00% maximum <b>IC USD H</b> 3.00% maximum <b>IC CHF H</b> 3.00% maximum <b>R units</b> 3.00% maximum <b>F units</b> None <b>D units</b> 3.00% maximum	
Sales charge paid to the UCITS	Net asset value x number of units	<b>I units</b> None <b>D USD H</b> None <b>IC USD H</b> None <b>IC CHF H</b> None <b>R units</b> None <b>F units</b> None <b>D units</b> None	
Redemption fee not paid to the UCITS	Net asset value x number of units	<b>I units</b> None <b>D USD H</b> None <b>IC USD H</b> None <b>IC CHF H</b> None <b>R units</b> None <b>F units</b> None <b>D units</b> None	
Redemption fee paid to the UCITS	Net asset value x number of units	<b>I units</b> None <b>D USD H</b> None <b>IC USD H</b> None <b>IC CHF H</b> None <b>R units</b> None <b>F units</b> None <b>D units</b> None	

*Operating and management costs:*

*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 costs, 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	
Management fees paid to the Management Company and management fees not paid to the Management Company (auditors, depositary, distribution, etc.)	Net assets	<b>R &amp; D units:</b> 1.20% including taxes Maximum rate  <b>I units:</b> 0.60% including taxes Maximum rate  <b>F units:</b> 0.05% including taxes	

		Maximum rate  <b>IC CHF H units:</b> 0.60% including taxes Maximum rate  <b>IC USD H units:</b> 0.60% including taxes Maximum rate  <b>D USD H units:</b> 1% including taxes Maximum rate
Turnover fees Service providers collecting turnover fees: - Management company	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 UCITS: EUR 15 Futures: EUR 6 / Options: EUR 2.50
Outperformance fee	Net assets	None

### 3. Commercial information

1. The Fund units are distributed by Banque Coopérative et Mutuelle Nord Europe, LA FRANCAISE AM FINANCE SERVICES, Caisse Fédérale du Crédit Mutuel Nord Europe and Caisses du Crédit Mutuel Nord.

2. Requests for investment/redemption are processed by La Française AM Finance Services.

3. Information on the “La Française Rendement Global 2022” mutual fund is available at the premises of the Management Company or on the website: [www.lafrancaise-gam.com](http://www.lafrancaise-gam.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.lafrancaise-gam.com](http://www.lafrancaise-gam.com) and will be given in the annual report.

### 4. Investment rules

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

### 5. Total risk method

The Fund shall apply the method of calculating the commitment.

### 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 traded on a regulated market:

- 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.

- UCIs: at the last known net asset value. Estimated net asset values are used for UCIs with a monthly valuation.

- 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 valued at the last rate 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: closing market prices on the previous day. Asian market: closing market prices.

Market commitments on conditional futures are converted to the equivalent underlying securities.

Commitments on swaps are valued at their market value.

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

### **Accounting method for interest**

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

# MUTUAL FUND RULES

## La Française Rendement Global 2022

### 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);
- be denominated in different currencies;
- have different management fees;
- have different sales charges 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 thirty 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 AMF General Regulation (transfer of the UCITS).

#### Article 3: Issue and redemption of units

Units may be issued at any time at the request of the unitholders, based on their net asset value plus any sales charges, where applicable.

Redemptions and investments 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.

Investments 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 investment 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 up to a maximum of 30 days.

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

Pursuant to Article L.214-8-7 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 investment conditions may be set out in the prospectus.

The mutual fund may stop issuing units pursuant to the second paragraph of Article L214-8-7 of the French Monetary and Financial Code in objective situations leading to the closure of investments, such as a maximum number of units or equities being issued, a maximum amount of assets being achieved or the expiry of a specified investment 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 (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 Financial Markets Authority.

## Article 7: The 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 Financial Markets Authority.

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 Financial Markets Authority as quickly as possible regarding 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 parities 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, bonuses and lots, dividends, fees and all earnings from securities held in the Fund's portfolio, plus earnings from sums 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), which 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 thirty days, the Management Company shall advise the Financial Markets Authority 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 investment or redemption requests will not be accepted after this date.

The Management Company shall also dissolve the Fund in the event of a redemption application for all of the units, or where the Depositary is relieved of its responsibilities and no other depositary has been appointed, or on expiry of the term of the Fund, if not extended.

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

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 Financial Markets Authority.

#### **Article 12: Liquidation**

In the event of dissolution, the Management Company shall act as liquidator, failing which a liquidator shall be appointed by the court at the request of any interested party. To this end, they are vested with the most extensive powers for liquidating assets, paying creditors and distributing the available balance to unitholders in cash or securities.

The statutory auditor and the Depositary shall continue to 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.