

# H2O ADAGIO FCP

## REGULATIONS 1 OCTOBER 2020

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### SECTION 1 - ASSETS AND SHARES

#### Article 1 - Co-ownership shares

The co-owners' rights are expressed as shares, each share representing an equal fraction of the assets of the Fund. Each shareholder has a co-ownership right to the Fund's assets, proportional to the number of shares held.

The term of the Fund is 99 years from its inception, except in the event of early dissolution or extension, as provided for in these regulations.

Classes of share:

The features of the various classes of share and their access conditions are stated in the Fund prospectus.

The various classes of share may:

- have different income distribution regimes (distribution or accumulation);
- be denominated in different currencies;
- incur different management fees;
- incur different subscription and redemption fees;
- have a different nominal value;
- be accompanied by systematic hedging against risk, whether partial or total, as defined in the prospectus. This hedging is provided through the use of financial instruments which reduce the impact of hedging transactions on the other share categories of the FCP to a minimum;
- be restricted to one or several marketing networks.

The shares may be divided, on the decision of the corporate officer of the management company, into tenths, hundredths, thousandths or ten-thousandths, these being known as fractions of shares.

The provisions of the regulations governing the issue and redemption of shares apply to fractions of shares, whose value will always be proportional to that of the share they represent. Unless stated otherwise, all other provisions of

the regulations relating to shares apply to fractions of shares without the need to specify further provisions to that effect.

Finally, the corporate officer of the management company may, at its own discretion, split the shares by creating new shares, which shall be allocated to shareholders in exchange for their existing shares.

#### Article 2 - Minimum amount of assets

Shares cannot be redeemed if the assets of the Fund fall below €300,000; if the assets fall below this amount for thirty days, the management company will take the necessary measures in order to liquidate the FCP or to carry out one of the transactions set forth under Article 411-16 of the general AMF regulation (change of the FCP).

#### Article 3 - Issue and redemption of shares

Shares may be issued at any time at the request of holders, on the basis of their net asset value plus subscription fees, where applicable.

Subscriptions and redemptions are effected in accordance with the terms and conditions defined in the prospectus.

Shares of mutual funds may be admitted to an official listing in accordance with the regulations in force.

Subscriptions must be fully paid up on the day of calculation of the net asset value.

Subscriptions may be made in cash and/or by the contribution of financial instruments. The management company is entitled to refuse the securities offered and, to this end, has a period of seven days from the date of their deposit in order to notify its decision. In the case of acceptance, the securities provided are valued in accordance with the rules specified in Article 4 and the subscription takes place on the basis of the first net asset value following acceptance of the securities concerned.

Redemptions may be in cash and/or in kind.

If the redemption in kind corresponds to a representative proportion of the assets in the portfolio, then the UCITS/AIF or the management company only needs to obtain written agreement signed by the redeeming shareholder. Where the redemption in kind does not correspond to a representative portion of the assets in the portfolio, all shareholders must provide written agreement authorising the redeeming shareholder to redeem its shares for certain particular assets, as explicitly defined in the agreement.

Notwithstanding the foregoing, when the Fund is an ETF, redemptions on the primary market may, with the agreement of the portfolio management company and in compliance with the interests of shareholders, be made in kind under the conditions defined in the prospectus or the Fund regulations. The assets are delivered by the issuer's account holder under the conditions set out in the prospectus.

In general, the redeemed assets are valued according to the rules set out in Article 4 and the redemption in kind is made based at the first net asset value following acceptance of the securities concerned.

Redemptions are settled by the issuer's account holder no later than five days following the day of valuation of the share.

However, if in exceptional circumstances the reimbursement requires the prior realisation of assets held in the Fund, this period may be extended to a maximum of 30 days.

Except in the case of succession or an inter vivos gift, the sale or transfer of shares between holders, or from holders to a third party, is deemed to be a redemption followed by a subscription; if this involves a third party, the sale or transfer amount must, where applicable, be supplemented by the beneficiary in order to reach at least the minimum subscription amount specified in the prospectus.

Pursuant to Article L. 214-8-7 of the Monetary and Financial Code, the Fund's redemption of its shares, and the issue of new shares, may be suspended on a temporary basis by the management company if exceptional circumstances so require and if the interests of the holders so dictate.

Where the net assets of the Fund are below the amount specified in the regulations, no redemption of shares may be effected.

Minimum subscription conditions may apply, in accordance with the terms of the prospectus.

The Fund may cease, provisionally or definitively, in whole or in part, to issue shares pursuant to paragraph 3, Article L. 214-8-7 of the Monetary and Financial Code in objective situations leading to the closure of subscriptions, such as a maximum number of shares issued, a maximum number of assets being reached or the expiry of a fixed subscription period.

The triggering of this tool will be the subject of information by any means of the existing shareholders relating to its activation, as well as the threshold and the objective situation that led to the decision to partially or completely close subscriptions. In the event of a partial closure, this information by any means will explicitly state the terms under which existing shareholders may continue to make subscriptions for the duration of the partial closure. Shareholders are also informed by any means of the decision of the UCI or the management company to either terminate the total or partial closure of subscriptions (when falling below the trigger threshold), or to not terminate it (in the event of a change in threshold or change in the objective situation leading to the implementation of this tool). A change in the objective situation invoked or the trigger threshold of the tool must always be made in the interests of the shareholders. Information by any means specifies the exact reasons for these changes.

#### **Article 4 - Calculation of net asset value**

The net asset value of the shares is calculated in accordance with the valuation rules specified in the prospectus.

Contributions in kind may only comprise securities or contracts that are permitted to form part of the assets of UCITS; contributions and redemptions in kind are valued in accordance with the valuation rules applicable to the calculation of the net asset value.

### **SECTION 2 - OPERATION OF THE FUND**

#### **Article 5 - Management company**

The Fund is managed by the management company in accordance with the guidelines specified for the Fund.

The management company acts in all circumstances in the exclusive interest of shareholders and has the exclusive right to exercise the voting rights attached to the securities held in the Fund.

### **Article 5a - Operating rules**

The instruments and deposits in which the UCITS' assets may be invested and the investment rules are described in the prospectus.

### **Article 5b – Admission to trading on a regulated market and/or multilateral trading facility**

Shares may be admitted to trading on a regulated market and/or multilateral trading facility in accordance with the regulations in force.

If the Fund whose shares are listed on a regulated market has an index-based management objective, the Fund must have implemented measures to ensure that the price of its shares does not deviate significantly from its net asset value.

### **Article 6 – Depository**

The depository carries out the duties imposed by the applicable laws and regulations and those contractually assigned by the management company. It must, among other duties, ensure that the decisions of the management company comply with law and regulations. It must, where applicable, take all precautionary measures that it considers appropriate.

In the event of any dispute with the management company, the depository shall inform the AMF.

### **Article 7 – Auditor**

An auditor is appointed for a term of six years by the management company's governance body, subject to approval by the AMF.

The auditor shall certify that the financial statements provide a true and fair view of the Fund's position

The auditor's term of office may be renewed.

The auditor shall bring to the attention of the AMF as quickly as possible any fact or decision affecting the fund of which it becomes aware in the course of its audit that may:

1. constitute a breach of applicable laws or regulations likely to have a significant impact on the financial position, profit, assets or liabilities of the Fund;
2. impair the Fund's operations or its ability to continue as a going concern;

3. require it to approve with reservations or refuse to approve the financial statements.

Valuations of assets and the determination of exchange parities in any transaction involving a conversion, merger or split shall be carried out under the supervision of the auditor. The auditor shall be responsible for assessing any contribution or redemption in kind, except in the case of redemptions in kind for an ETF on the primary market. Prior to publication, the auditor shall verify the composition of the asset base and other elements.

The fees charged by the auditor are decided by mutual agreement between the auditor and the board of directors or executive board of the management company taking into account a work program specifying the due diligence deemed necessary.

The auditor shall verify situations serving as a basis for the distribution of payments.

The auditor's fees are included in the management fees.

### **Article 8 - Financial statements and management report**

At the end of each financial year, the management company prepares the financial statements and a report on the management of the Fund during the past financial year.

The management company shall establish, at least biannually and with the supervision of the depository, the inventory of the UCITS' assets.

The management company shall make these documents available to shareholders no later than four months after the financial year-end and shall notify them of the amount of income to which they are entitled. These documents shall either be sent by post at the shareholders' express request or shall be made available to them at the offices of the management company.

## **SECTION 3 - ALLOCATION OF DISTRIBUTABLE INCOME**

### **Article 9 – Allocation of distributable income**

The net income for the financial year is equal to the amount of interest, arrears, dividends, premiums and share-outs, directors' fees and all income generated by the securities held in the portfolio of the Fund, plus income generated by temporary cash holdings, less management fees and borrowing costs.

The distributable sums consist of:

1. Net income for the year plus retained earnings from previous years, plus or minus current-year net accruals;

2. Realised net capital gains, minus net capital gains realised in the current year, plus net capital gains of the same type recognised in previous years that have not been distributed or capitalised, plus or minus current-year net capital gain accruals.

The amounts referred to in points 1 and 2 above may be partly or wholly distributed independently of each other.

The income distribution procedures are defined in the Prospectus.

#### **SECTION 4 - MERGER - SPLIT - DISSOLUTION - LIQUIDATION**

##### **Article 10 - Merger – Split**

The management company may merge all or part of the assets of the Fund with another UCITS or AIF, or split the Fund into two or more mutual funds.

Such mergers or splits may only be carried out after the holders have been notified. They give rise to the issue of a new certificate stating the number of shares held by each holder.

##### **Article 11 - Dissolution – Extension**

- If the assets of the Fund remain below the amount specified in Article 2 above for thirty days, the management company shall inform the *Autorité des marchés financiers* and shall dissolve the Fund, except in the event of a merger with another mutual fund.

- The management company may dissolve the Fund early; it shall inform shareholders of its decision and from that date subscription and redemption orders shall no longer be accepted.

- The management company shall also dissolve the Fund if a request is made for the

redemption of all the shares, if the depositary's appointment is terminated and no other depositary has been appointed, or upon the expiry of the Fund's term, unless such term is extended.

The management company shall inform the *Autorité des marchés financiers* by post of the dissolution date and procedure adopted.

It shall subsequently send the auditor's report to the *Autorité des marchés financiers*.

The management company may decide to extend the life of the fund by agreement with the depositary. Its decision must be taken at least three months before the expiry of the Fund's term and must be communicated to the shareholders and the *Autorité des marchés financiers*.

##### **Article 12 - Liquidation**

In the event of dissolution, the management company shall take on the liquidator's functions, failing which the court shall appoint a liquidator at the request of any interested party. To that end, it is vested with the widest powers to realize the assets, pay any creditors and distribute the available balance among the shareholders in cash or securities.

The auditor and the depositary shall continue to perform their duties until the liquidation operations have been completed.

#### **SECTION 5 – DISPUTES**

##### **Article 13 - Jurisdiction - Election of domicile**

Any disputes relating to the Fund arising during its term or at the time of its liquidation, either between the shareholders themselves or between the shareholders and the management company or the depositary, are subject to the jurisdiction of the competent courts.

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## REGULATIONS 1 OCTOBER 2020

### SECTION 1 - ASSETS AND SHARES

#### Article 1 - Co-ownership shares

The co-owners' rights are expressed as shares, each share representing an equal fraction of the assets of the Fund. Each shareholder has a co-ownership right to the Fund's assets, proportional to the number of shares held.

The term of the Fund is up to the liquidation of the assets of the Fund and its dissolution.

The features of the various classes of share and their access conditions are stated in the Fund prospectus.

The various classes of share may:

- have different income distribution regimes (distribution or accumulation);
- be denominated in different currencies;
- incur different management fees;
- incur different subscription and redemption fees;
- have a different nominal value;
- be accompanied by systematic hedging against risk, whether partial or total, as defined in the prospectus. This hedging is provided through the use of financial instruments which reduce the impact of hedging transactions on the other share categories of the FCP to a minimum;
- be restricted to one or several marketing networks.

The shares may be divided, on the decision of the corporate officer of the management company, into tenths, hundredths, thousandths or ten-thousandths, these being known as fractions of shares.

The provisions of the regulations governing the issue and redemption of shares apply to fractions of shares, whose value will always be proportional to that of the share they represent. Unless stated otherwise, all other provisions of

the regulations relating to shares apply to fractions of shares without the need to specify further provisions to that effect.

Finally, the corporate officer of the management company may, at its own discretion, split the shares by creating new shares, which shall be allocated to shareholders in exchange for their existing shares.

#### Article 2 - Minimum amount of assets

Shares cannot be redeemed if the assets of the Fund fall below €300,000; if the assets fall below this amount for thirty days, the management company will take the necessary measures in order to liquidate the FCP or to carry out one of the transactions set forth under Article 411-16 of the general AMF regulation (change of the FCP).

#### Article 3 - Issue and redemption of shares

Shares may be issued at any time at the request of holders, on the basis of their net asset value plus subscription fees, where applicable.

Subscriptions and redemptions are effected in accordance with the terms and conditions defined in the prospectus.

Shares of mutual funds may be admitted to an official listing in accordance with the regulations in force.

Subscriptions must be fully paid up on the day of calculation of the net asset value.

Subscriptions may be made in cash and/or by the contribution of financial instruments. The management company is entitled to refuse the securities offered and, to this end, has a period of seven days from the date of their deposit in order to notify its decision. In the case of acceptance, the securities provided are valued in accordance with the rules specified in Article 4 and the subscription takes place on the basis of the first net asset value following acceptance of the securities concerned.

Redemptions may be in cash and/or in kind.

If the redemption in kind corresponds to a representative proportion of the assets in the portfolio, then the UCITS/AIF or the management company only needs to obtain written agreement signed by the redeeming shareholder. Where the redemption in kind does not correspond to a representative portion of the assets in the portfolio, all shareholders must provide written agreement authorising the redeeming shareholder to redeem its shares for certain particular assets, as explicitly defined in the agreement.

Notwithstanding the foregoing, when the Fund is an ETF, redemptions on the primary market may, with the agreement of the portfolio management company and in compliance with the interests of shareholders, be made in kind under the conditions defined in the prospectus or the Fund regulations. The assets are delivered by the issuer's account holder under the conditions set out in the prospectus.

In general, the redeemed assets are valued according to the rules set out in Article 4 and the redemption in kind is made based at the first net asset value following acceptance of the securities concerned.

Redemptions are settled by the issuer's account holder no later than five days following the day of valuation of the share.

However, if in exceptional circumstances the reimbursement requires the prior realisation of assets held in the Fund, this period may be extended to a maximum of 30 days.

Except in the case of succession or an inter vivos gift, the sale or transfer of shares between holders, or from holders to a third party, is deemed to be a redemption followed by a subscription; if this involves a third party, the sale or transfer amount must, where applicable, be supplemented by the beneficiary in order to reach at least the minimum subscription amount specified in the prospectus.

Pursuant to Article L. 214-8-7 of the Monetary and Financial Code, the Fund's redemption of its shares, and the issue of new shares, may be suspended on a temporary basis by the management company if exceptional circumstances so require and if the interests of the holders so dictate.

Where the net assets of the Fund are below the amount specified in the regulations, no redemption of shares may be effected.

Minimum subscription conditions may apply, in accordance with the terms of the prospectus.

The Fund may cease, provisionally or definitively, in whole or in part, to issue shares pursuant to paragraph 3, Article L. 214-8-7 of the Monetary and Financial Code in objective situations leading to the closure of subscriptions, such as a maximum number of shares issued, a maximum number of assets being reached or the expiry of a fixed subscription period.

The triggering of this tool will be the subject of information by any means of the existing shareholders relating to its activation, as well as the threshold and the objective situation that led to the decision to partially or completely close subscriptions. In the event of a partial closure, this information by any means will explicitly state the terms under which existing shareholders may continue to make subscriptions for the duration of the partial closure. Shareholders are also informed by any means of the decision of the UCI or the management company to either terminate the total or partial closure of subscriptions (when falling below the trigger threshold), or to not terminate it (in the event of a change in threshold or change in the objective situation leading to the implementation of this tool). A change in the objective situation invoked or the trigger threshold of the tool must always be made in the interests of the shareholders. Information by any means specifies the exact reasons for these changes.

#### **Article 4 - Calculation of net asset value**

The net asset value of the shares is calculated in accordance with the valuation rules specified in the prospectus.

Contributions in kind may only comprise securities or contracts that are permitted to form part of the assets of UCITS; contributions and redemptions in kind are valued in accordance with the valuation rules applicable to the calculation of the net asset value.

### **SECTION 2 - OPERATION OF THE FUND**

#### **Article 5 - Management company**

The Fund is managed by the management company in accordance with the guidelines specified for the Fund.

The management company acts in all circumstances in the exclusive interest of shareholders and has the exclusive right to exercise the voting rights attached to the securities held in the Fund.

### **Article 5a - Operating rules**

The instruments and deposits in which the UCITS' assets may be invested and the investment rules are described in the prospectus.

### **Article 5b – Admission to trading on a regulated market and/or multilateral trading facility**

Shares may be admitted to trading on a regulated market and/or multilateral trading facility in accordance with the regulations in force.

If the Fund whose shares are listed on a regulated market has an index-based management objective, the Fund must have implemented measures to ensure that the price of its shares does not deviate significantly from its net asset value.

### **Article 6 – Depository**

The depository carries out the duties imposed by the applicable laws and regulations and those contractually assigned by the management company. It must, among other duties, ensure that the decisions of the management company comply with law and regulations. It must, where applicable, take all precautionary measures that it considers appropriate.

In the event of any dispute with the management company, the depository shall inform the AMF.

### **Article 7 – Auditor**

An auditor is appointed for a term of six years by the management company's governance body, subject to approval by the AMF.

The auditor shall certify that the financial statements provide a true and fair view of the Fund's position

The auditor's term of office may be renewed.

The auditor shall bring to the attention of the AMF as quickly as possible any fact or decision affecting the fund of which it becomes aware in the course of its audit that may:

1. constitute a breach of applicable laws or regulations likely to have a significant impact on the financial position, profit, assets or liabilities of the Fund;
2. impair the Fund's operations or its ability to continue as a going concern;

3. require it to approve with reservations or refuse to approve the financial statements.

Valuations of assets and the determination of exchange parities in any transaction involving a conversion, merger or split shall be carried out under the supervision of the auditor. The auditor shall be responsible for assessing any contribution or redemption in kind, except in the case of redemptions in kind for an ETF on the primary market. Prior to publication, the auditor shall verify the composition of the asset base and other elements.

The fees charged by the auditor are decided by mutual agreement between the auditor and the board of directors or executive board of the management company taking into account a work program specifying the due diligence deemed necessary.

The auditor shall verify situations serving as a basis for the distribution of payments.

The auditor's fees are included in the management fees.

### **Article 8 - Financial statements and management report**

At the end of each financial year, the management company prepares the financial statements and a report on the management of the Fund during the past financial year.

The management company shall establish, at least biannually and with the supervision of the depository, the inventory of the UCITS' assets.

The management company shall make these documents available to shareholders no later than four months after the financial year-end and shall notify them of the amount of income to which they are entitled. These documents shall either be sent by post at the shareholders' express request or shall be made available to them at the offices of the management company.

## **SECTION 3 - ALLOCATION OF DISTRIBUTABLE INCOME**

### **Article 9 – Allocation of distributable income**

The net income for the financial year is equal to the amount of interest, arrears, dividends, premiums and share-outs, directors' fees and all income generated by the securities held in the portfolio of the Fund, plus income generated by temporary cash holdings, less management fees and borrowing costs.

The distributable sums consist of:

1. Net income for the year plus retained earnings from previous years, plus or minus current-year net accruals;

2. Realised net capital gains, minus net capital gains realised in the current year, plus net capital gains of the same type recognised in previous years that have not been distributed or capitalised, plus or minus current-year net capital gain accruals.

The amounts referred to in points 1 and 2 above may be partly or wholly distributed independently of each other.

The income distribution procedures are defined in the Prospectus.

#### **SECTION 4 - MERGER - SPLIT - DISSOLUTION - LIQUIDATION**

##### **Article 10 - Merger – Split**

The management company may merge all or part of the assets of the Fund with another UCITS or AIF, or split the Fund into two or more mutual funds.

Such mergers or splits may only be carried out after the holders have been notified. They give rise to the issue of a new certificate stating the number of shares held by each holder.

##### **Article 11 - Dissolution – Extension**

- If the assets of the Fund remain below the amount specified in Article 2 above for thirty days, the management company shall inform the *Autorité des marchés financiers* and shall dissolve the Fund, except in the event of a merger with another mutual fund.

- The management company may dissolve the Fund early; it shall inform shareholders of its decision and from that date subscription and redemption orders shall no longer be accepted.

- The management company shall also dissolve the Fund if a request is made for the

redemption of all the shares, if the depositary's appointment is terminated and no other depositary has been appointed, or upon the expiry of the Fund's term, unless such term is extended.

- The management company shall inform the *Autorité des marchés financiers* by post of the dissolution date and procedure adopted.

It shall subsequently send the auditor's report to the *Autorité des marchés financiers*.

The management company may decide to extend the life of the fund by agreement with the depositary. Its decision must be taken at least three months before the expiry of the Fund's term and must be communicated to the shareholders and the *Autorité des marchés financiers*.

##### **Article 12 - Liquidation**

In the event of dissolution, the management company shall take on the liquidator's functions, failing which the court shall appoint a liquidator at the request of any interested party. To that end, it is vested with the widest powers to realize the assets, pay any creditors and distribute the available balance among the shareholders in cash or securities.

The auditor and the depositary shall continue to perform their duties until the liquidation operations have been completed.

#### **SECTION 5 – DISPUTES**

##### **Article 13 - Jurisdiction - Election of domicile**

Any disputes relating to the Fund arising during its term or at the time of its liquidation, either between the shareholders themselves or between the shareholders and the management company or the depositary, are subject to the jurisdiction of the competent courts.



# H2O MODERATO FCP

## REGULATIONS 1 OCTOBER 2020

### SECTION 1 - ASSETS AND SHARES

#### Article 1 – Co-ownership shares

Co-owner rights shall be expressed as shares, with each share representing an equal fraction of the Fund's assets. Each shareholder has a right of co-ownership to the Fund's assets in proportion to the number of shares held.

The term of the Fund is 99 years from its launch date, unless it is dissolved early or extended as provided for in these regulations.

The features of the various share classes and their access conditions are specified in the Fund's prospectus.

The various share classes may:

- have different income allocation rules (distribution or accumulation);
- be denominated in different currencies;
- incur different management fees;
- incur different subscription and redemption charges;
- have a different nominal value;
- be systematically hedged (fully or partially) as specified in the prospectus. This hedging is provided through the use of financial instruments that minimise the impact of hedging transactions on the other share classes of the UCITS;
- be restricted to one or more marketing networks.

The shares may be divided, at the discretion of the authorised representative of the management company, into tenths, hundredths, thousandths or ten-thousandths, these being known as fractions of shares.

The provisions of the regulations governing the issue and redemption of shares apply to fractions of shares, the value of which will always be in proportion to that of the share they represent. Unless stated otherwise, all other provisions of the regulations relating to shares apply to fractions of shares without the need to specify further provisions to that effect.

Finally, the management company may, at its own discretion, split the shares by creating new

shares, which shall be allocated to shareholders in exchange for their existing shares.

#### Article 2 - Minimum amount of assets

Shares cannot be redeemed if the assets of the Fund fall below €300,000. If the assets remain below this amount for thirty days, the management company shall take the necessary measures to liquidate the Fund or to carry out one of the transactions specified in Article 411-16 of the AMF General Regulations (UCITS transfer).

#### Article 3 – Issue and redemption of shares

Shares may be issued at any time at the request of shareholders based on the net asset value, plus subscription fees if applicable.

Redemptions and subscriptions shall comply with the terms and conditions stipulated in the prospectus.

Shares of mutual funds may be admitted to an official listing in accordance with the regulations in force.

Subscriptions must be fully paid up on the date that the net asset value is calculated.

Subscriptions may be made in cash and/or through the contribution of financial instruments. The management company reserves the right to refuse the securities offered and, to this end, has seven days from the date of deposit to communicate its decision. If accepted, the securities provided shall be valued in accordance with the rules specified in Article 4 and the subscription shall be made on the basis of the first net asset value following acceptance of the securities in question.

Redemptions may be made in cash and/or in kind. If the redemption in kind corresponds to a representative portion of the assets in the portfolio, then only the signed written agreement of the redeeming shareholder must be obtained by the UCITS or the management company. Where the redemption in kind does not correspond to a representative portion of the assets in the portfolio, all shareholders must provide written agreement authorising the redeeming shareholder to redeem its shares for

certain particular assets, as explicitly defined in the agreement.

Notwithstanding the foregoing, when the Fund is an ETF, redemptions on the primary market may, with the agreement of the portfolio management company and in compliance with the interests of shareholders, be made in kind under the conditions defined in the prospectus or the Fund regulations. The assets are delivered by the issuing account holder under the conditions set out in the prospectus.

In general, the redeemed assets are valued according to the rules set out in Article 4 and the redemption in kind is made based on the first net asset value following acceptance of the securities concerned.

Redemptions shall be made by the issuing account holder no later than five days following the date on which the share is valued.

However, if, in exceptional circumstances, the redemption requires the prior realisation of assets held in the Fund, this period may be extended to a maximum of 30 days.

Except in the case of inheritance or an *inter vivos* gift, the sale or transfer of shares between shareholders, or from shareholders to a third party, is deemed to be a redemption followed by a subscription; if this involves a third party, the sale or transfer amount must, where applicable, be supplemented by the beneficiary in order to reach at least the minimum subscription amount specified in the prospectus.

Pursuant to Article L. 214-8-7 of the French Monetary and Financial Code, the Fund's redemption of its shares and the issue of new shares may be suspended on a temporary basis by the management company if exceptional circumstances so require and if the interests of the shareholders so dictate.

Where the net assets of the Fund are below the amount specified in the regulations, no shares may be redeemed.

Minimum subscription conditions may be applied, in accordance with the terms set out in the prospectus.

The Fund may cease, provisionally or definitively, in whole or in part, to issue shares in situations that objectively require the closure of subscriptions, such as a maximum number of shares being issued, a maximum amount of assets being reached or the expiry of a fixed subscription period, in accordance with paragraph 3 of Article L. 214-8-7 of the French Monetary and Financial Code.

The triggering of this tool will be the subject of information by any means of the existing shareholders relating to its activation, as well as the threshold and the objective situation that led to the decision to partially or completely close subscriptions. In the event of a partial closure, this information by any means will explicitly state the terms under which existing shareholders may continue to make subscriptions for the duration of the partial closure. Shareholders are also informed by any means of the decision of the UCI or the management company to either terminate the total or partial closure of subscriptions (when falling below the trigger threshold), or to not terminate it (in the event of a change in threshold or change in the objective situation leading to the implementation of this tool). A change in the objective situation invoked or the trigger threshold of the tool must always be made in the interests of the shareholders. Information by any means specifies the exact reasons for these changes.

#### **Article 4 - Calculation of the net asset value**

The net asset value of the shares is calculated in accordance with the valuation rules specified in the prospectus.

Contributions in kind may only consist of the securities, stocks or contracts eligible for the UCITS; contributions and redemptions in kind are valued in accordance with the same valuation rules as for the calculation of the net asset value.

## **SECTION 2 - OPERATION OF THE FUND**

### **Article 5 – Management company**

The Fund is managed by the management company in accordance with the guidelines specified for the Fund.

The management company acts in all circumstances exclusively on behalf of the shareholders and has the exclusive right to exercise the voting rights attached to the securities held in the Fund.

### **Article 5a – Operating rules**

The instruments and deposits in which the UCITS' assets may be invested and the investment rules are described in the prospectus.

### **Article 5b – Admission to trading on a regulated market and/or a multilateral trading facility**

Shares may be admitted to trading on a regulated market and/or multilateral trading facility in accordance with the regulations in force.

If the Fund whose shares are listed for trading on a regulated market has an index-based management objective, the Fund must have implemented measures to ensure that the price of its shares does not deviate significantly from its net asset value.

#### **Article 6 – Depositary**

The depositary carries out the duties imposed by the applicable laws and regulations and those contractually assigned by the management company. It must, among other duties, ensure that the decisions taken by the portfolio management company comply with the law and regulations. It must, where applicable take any precautionary measures it considers appropriate.

In the event of any dispute with the management company, the depositary shall inform the AMF.

#### **Article 7 – Statutory auditor**

An auditor is appointed by the management company for a term of six years, following approval by the AMF.

The auditor certifies the accuracy and lawfulness of the accounts. The auditor's term of office may be renewed.

The statutory auditor shall notify the AMF promptly and in full of any decision regarding the UCITS of which he or she becomes aware in the course of his or her work that is liable to:

1. Constitute a material breach of any laws or regulations that apply to the Fund and that may have a significant impact on its financial position, income or assets;
2. Adversely affect the operating conditions or the continued operation of the Fund;
3. Lead to the expression of reservations or refusal to certify the financial statements.

The statutory auditor shall supervise the valuation of the assets and the determination of exchange ratios used in the event of a conversion, merger or split.

The statutory auditor shall assess any contribution or redemption in kind under its responsibility, except in the case of redemptions in kind for an ETF on the primary market.

It audits the composition of the assets and of the other information prior to publication.

The fees of the statutory auditor are determined by mutual agreement between the auditor and the management company on the basis of a work schedule indicating the duties deemed necessary.

The auditor shall certify the financial statements that form the basis for the payment of interim dividends.

The auditor's fees are included in the management fees.

#### **Article 8 – Financial statements and management report**

At the end of each financial year, the management company prepares the financial statements and a report on the Fund's management during the past financial year.

The management company shall produce a list of the UCITS's assets at least twice a year under the supervision of the depositary.

The management company shall make these documents available to shareholders no later than four months after the financial year-end and shall notify them of the amount of income to which they are entitled. These documents shall either be sent by post at the shareholders' express request or be made available to them at the offices of the management company.

### **SECTION 3 - ALLOCATION OF DISTRIBUTABLE INCOME**

#### **Article 9 – Procedures for allocating distributable income**

The net income for the financial year is equal to the amount of interest, arrears, dividends, premiums and share-outs, directors' fees and all income generated by the securities held in the Fund's portfolio, plus income generated by temporary cash holdings, less management fees and borrowing costs.

Distributable income consists of:

1. Net income for the period plus retained earnings, plus or minus the balance of any accrued income or deferred expenses for the last financial year.
2. Capital gains, net of charges, minus capital losses, net of charges, realised in the current financial year, plus net capital gains of the same type recorded in previous years that have not been distributed or capitalised, plus or minus the balance of any accruals or deferred expenses for the gains realised. The management company shall decide on the allocation of income.

The amounts outlined in point 2 above may be distributed, in whole or in part.

The precise methods for allocating distributable income are set out in the Prospectus.

#### **SECTION 4 - MERGER - SPLIT - DISSOLUTION - LIQUIDATION**

##### **Article 10 - Merger - Split**

The management company may merge all or part of the assets in the Fund with another UCITS or AIF or split the Fund into two or more funds which it will manage.

Such mergers or splits may only be carried out after the holders have been duly notified. They give rise to the issue of a new certificate stating the number of shares held by each shareholder.

##### **Article 11 - Dissolution - Extension**

- If the Fund's assets remain below the amount specified in Article 2 above for 30 days, the management company shall inform the AMF and shall dissolve the Fund, except in the event of a merger with another mutual fund.

- The management company may dissolve the Fund early; it shall inform shareholders of its decision to do so and subscription and redemption orders shall no longer be accepted from that date.

- The management company shall also dissolve the Fund if a request is made for the redemption of all the shares, if the depositary's appointment is terminated and no other depositary has been appointed, or upon expiry of the Fund's term, unless such term is extended.

The management company shall inform the AMF by post of the dissolution date and procedure adopted. It shall subsequently send the auditor's report to the AMF.

The management company may decide to extend the life of the Fund by agreement with the depositary. This decision must be taken at least three months before expiry of the Fund's term and must be communicated to shareholders and the AMF.

##### **Article 12 - Liquidation**

In the event of dissolution, the management company assumes the role of liquidator; failing that, the liquidator is appointed by the court at the request of any interested party. To that end, It is vested with the broadest powers to realise the assets, pay any creditors and distribute the available balance among the shareholders in cash or in securities.

The auditor and the depositary shall continue to perform their duties until the liquidation process has been completed.

#### **SECTION 5 - DISPUTES**

##### **Article 13 – Jurisdiction – Election of domicile**

Any disputes relating to the Fund arising during its term or at the time of its liquidation, either between the shareholders themselves or between the shareholders and the management company or the depositary, are subject to the jurisdiction of the competent courts.

# H2O MODERATO SP

## REGULATIONS 1 OCTOBER 2020

### SECTION 1 - ASSETS AND SHARES

#### Article 1 – Co-ownership shares

Co-owner rights shall be expressed as shares, with each share representing an equal fraction of the Fund's assets. Each shareholder has a right of co-ownership to the Fund's assets in proportion to the number of shares held.

The term of the Fund is up to the liquidation of the assets of the Fund and its dissolution.

The features of the various share classes and their access conditions are specified in the Fund's prospectus.

The various share classes may:

- have different income allocation rules (distribution or accumulation);
- be denominated in different currencies;
- incur different management fees;
- incur different subscription and redemption charges;
- have a different nominal value;
- be systematically hedged (fully or partially) as specified in the prospectus. This hedging is provided through the use of financial instruments that minimise the impact of hedging transactions on the other share classes of the UCITS;
- be restricted to one or more marketing networks.

The shares may be divided, at the discretion of the authorised representative of the management company, into tenths, hundredths, thousandths or ten-thousandths, these being known as fractions of shares.

The provisions of the regulations governing the issue and redemption of shares apply to fractions of shares, the value of which will always be in proportion to that of the share they represent. Unless stated otherwise, all other provisions of the regulations relating to shares apply to fractions of shares without the need to specify further provisions to that effect.

Finally, the management company may, at its own discretion, split the shares by creating new shares, which shall be allocated to shareholders in exchange for their existing shares.

#### Article 2 - Minimum amount of assets

Shares cannot be redeemed if the assets of the Fund fall below €300,000. If the assets remain below this amount for thirty days, the management company shall take the necessary measures to liquidate the Fund or to carry out one of the transactions specified in Article 411-16 of the AMF General Regulations (UCITS transfer).

#### Article 3 – Issue and redemption of shares

Shares may be issued at any time at the request of shareholders based on the net asset value, plus subscription fees if applicable.

Redemptions and subscriptions shall comply with the terms and conditions stipulated in the prospectus.

Shares of mutual funds may be admitted to an official listing in accordance with the regulations in force.

Subscriptions must be fully paid up on the date that the net asset value is calculated.

Subscriptions may be made in cash and/or through the contribution of financial instruments. The management company reserves the right to refuse the securities offered and, to this end, has seven days from the date of deposit to communicate its decision. If accepted, the securities provided shall be valued in accordance with the rules specified in Article 4 and the subscription shall be made on the basis of the first net asset value following acceptance of the securities in question.

Redemptions may be made in cash and/or in kind. If the redemption in kind corresponds to a representative portion of the assets in the portfolio, then only the signed written agreement of the redeeming shareholder must be obtained by the UCITS or the management company. Where the redemption in kind does not correspond to a representative portion of the assets in the portfolio, all shareholders must provide written agreement authorising the redeeming shareholder to redeem its shares for certain particular assets, as explicitly defined in the agreement.

Notwithstanding the foregoing, when the Fund is an ETF, redemptions on the primary market may, with the agreement of the portfolio management company and in compliance with the interests of shareholders, be made in kind under the conditions defined in the prospectus or the Fund regulations. The assets are delivered by the issuing account holder under the conditions set out in the prospectus.

In general, the redeemed assets are valued according to the rules set out in Article 4 and the redemption in kind is made based on the first net asset value following acceptance of the securities concerned.

Redemptions shall be made by the issuing account holder no later than five days following the date on which the share is valued.

However, if, in exceptional circumstances, the redemption requires the prior realisation of assets held in the Fund, this period may be extended to a maximum of 30 days.

Except in the case of inheritance or an *inter vivos* gift, the sale or transfer of shares between shareholders, or from shareholders to a third party, is deemed to be a redemption followed by a subscription; if this involves a third party, the sale or transfer amount must, where applicable, be supplemented by the beneficiary in order to reach at least the minimum subscription amount specified in the prospectus.

Pursuant to Article L. 214-8-7 of the French Monetary and Financial Code, the Fund's redemption of its shares and the issue of new shares may be suspended on a temporary basis by the management company if exceptional circumstances so require and if the interests of the shareholders so dictate.

Where the net assets of the Fund are below the amount specified in the regulations, no shares may be redeemed.

Minimum subscription conditions may be applied, in accordance with the terms set out in the prospectus.

The Fund may cease, provisionally or definitively, in whole or in part, to issue shares in situations that objectively require the closure of subscriptions, such as a maximum number of shares being issued, a maximum amount of assets being reached or the expiry of a fixed subscription period, in accordance with paragraph 3 of Article L. 214-8-7 of the French Monetary and Financial Code.

The triggering of this tool will be the subject of information by any means of the existing shareholders relating to its activation, as well as the threshold and the objective situation that led

to the decision to partially or completely close subscriptions. In the event of a partial closure, this information by any means will explicitly state the terms under which existing shareholders may continue to make subscriptions for the duration of the partial closure. Shareholders are also informed by any means of the decision of the UCI or the management company to either terminate the total or partial closure of subscriptions (when falling below the trigger threshold), or to not terminate it (in the event of a change in threshold or change in the objective situation leading to the implementation of this tool). A change in the objective situation invoked or the trigger threshold of the tool must always be made in the interests of the shareholders. Information by any means specifies the exact reasons for these changes.

#### **Article 4 - Calculation of the net asset value**

The net asset value of the shares is calculated in accordance with the valuation rules specified in the prospectus.

Contributions in kind may only consist of the securities, stocks or contracts eligible for the UCITS; contributions and redemptions in kind are valued in accordance with the same valuation rules as for the calculation of the net asset value.

### **SECTION 2 - OPERATION OF THE FUND**

#### **Article 5 – Management company**

The Fund is managed by the management company in accordance with the guidelines specified for the Fund.

The management company acts in all circumstances exclusively on behalf of the shareholders and has the exclusive right to exercise the voting rights attached to the securities held in the Fund.

#### **Article 5a – Operating rules**

The instruments and deposits in which the UCITS' assets may be invested and the investment rules are described in the prospectus.

#### **Article 5b – Admission to trading on a regulated market and/or a multilateral trading facility**

Shares may be admitted to trading on a regulated market and/or multilateral trading facility in accordance with the regulations in force.

If the Fund whose shares are listed for trading on a regulated market has an index-based management objective, the Fund must have implemented measures to ensure that the price of its shares does not deviate significantly from its net asset value.

#### **Article 6 – Depositary**

The depositary carries out the duties imposed by the applicable laws and regulations and those contractually assigned by the management company. It must, among other duties, ensure that the decisions taken by the portfolio management company comply with the law and regulations. It must, where applicable take any precautionary measures it considers appropriate.

In the event of any dispute with the management company, the depositary shall inform the AMF.

#### **Article 7 – Statutory auditor**

An auditor is appointed by the management company for a term of six years, following approval by the AMF.

The auditor certifies the accuracy and lawfulness of the accounts. The auditor's term of office may be renewed.

The statutory auditor shall notify the AMF promptly and in full of any decision regarding the UCITS of which he or she becomes aware in the course of his or her work that is liable to:

1. Constitute a material breach of any laws or regulations that apply to the Fund and that may have a significant impact on its financial position, income or assets;
2. Adversely affect the operating conditions or the continued operation of the Fund;
3. Lead to the expression of reservations or refusal to certify the financial statements.

The statutory auditor shall supervise the valuation of the assets and the determination of exchange ratios used in the event of a conversion, merger or split.

The statutory auditor shall assess any contribution or redemption in kind under its responsibility, except in the case of redemptions in kind for an ETF on the primary market.

It audits the composition of the assets and of the other information prior to publication.

The fees of the statutory auditor are determined by mutual agreement between the auditor and the management company on the basis of a work schedule indicating the duties deemed necessary.

The auditor shall certify the financial statements that form the basis for the payment of interim dividends.

The auditor's fees are included in the management fees.

#### **Article 8 – Financial statements and management report**

At the end of each financial year, the management company prepares the financial statements and a report on the Fund's management during the past financial year.

The management company shall produce a list of the UCITS's assets at least twice a year under the supervision of the depositary.

The management company shall make these documents available to shareholders no later than four months after the financial year-end and shall notify them of the amount of income to which they are entitled. These documents shall either be sent by post at the shareholders' express request or be made available to them at the offices of the management company.

### **SECTION 3 - ALLOCATION OF DISTRIBUTABLE INCOME**

#### **Article 9 – Procedures for allocating distributable income**

The net income for the financial year is equal to the amount of interest, arrears, dividends, premiums and share-outs, directors' fees and all income generated by the securities held in the Fund's portfolio, plus income generated by temporary cash holdings, less management fees and borrowing costs.

Distributable income consists of:

1. Net income for the period plus retained earnings, plus or minus the balance of any accrued income or deferred expenses for the last financial year.
2. Capital gains, net of charges, minus capital losses, net of charges, realised in the current financial year, plus net capital gains of the same type recorded in previous years that have not been distributed or capitalised, plus or minus the balance of any accruals or deferred expenses for the gains realised. The management company shall decide on the allocation of income.

The amounts outlined in point 2 above may be distributed, in whole or in part.

The precise methods for allocating distributable income are set out in the Prospectus.

## **SECTION 4 - MERGER - SPLIT - DISSOLUTION - LIQUIDATION**

### **Article 10 - Merger - Split**

The management company may merge all or part of the assets in the Fund with another UCITS or AIF or split the Fund into two or more funds which it will manage.

Such mergers or splits may only be carried out after the holders have been duly notified. They give rise to the issue of a new certificate stating the number of shares held by each shareholder.

### **Article 11 - Dissolution - Extension**

- If the Fund's assets remain below the amount specified in Article 2 above for 30 days, the management company shall inform the AMF and shall dissolve the Fund, except in the event of a merger with another mutual fund.

- The management company may dissolve the Fund early; it shall inform shareholders of its decision to do so and subscription and redemption orders shall no longer be accepted from that date.

- The management company shall also dissolve the Fund if a request is made for the redemption of all the shares, if the depositary's appointment is terminated and no other depositary has been appointed, or upon expiry of the Fund's term, unless such term is extended.

The management company shall inform the AMF by post of the dissolution date and procedure adopted. It shall subsequently send the auditor's report to the AMF.

The management company may decide to extend the life of the Fund by agreement with the depositary. This decision must be taken at least three months before expiry of the Fund's term and must be communicated to shareholders and the AMF.

### **Article 12 - Liquidation**

In the event of dissolution, the management company assumes the role of liquidator; failing that, the liquidator is appointed by the court at the request of any interested party. To that end, it is vested with the broadest powers to realise the assets, pay any creditors and distribute the available balance among the shareholders in cash or in securities.

The auditor and the depositary shall continue to perform their duties until the liquidation process has been completed.

## **SECTION 5 - DISPUTES**

### **Article 13 – Jurisdiction – Election of domicile**

Any disputes relating to the Fund arising during its term or at the time of its liquidation, either between the shareholders themselves or between the shareholders and the management company or the depositary, are subject to the jurisdiction of the competent courts.



# H2O MULTIBONDS FCP

## French Mutual Fund

### REGULATIONS DATED

5 OCTOBER 2020

### SECTION 1 – ASSETS AND SHARES

#### Article 1 - Co-ownership shares

Co-ownership rights shall be expressed as shares, with each share corresponding to the same proportion of the FCP's net assets (or of the sub-fund, if applicable). Each shareholder shall have co-ownership rights on the FCP's net assets in proportion to the number of shares held.

The term of the FCP is 99 years from its date of creation, unless it is dissolved early as provided for in these regulations.

Classes of share:

The features of the various classes of share and their access conditions are stated in the prospectus for the FCP.

The various classes of share may:

- have different income distribution regimes (distribution or accumulation);
- be denominated in different currencies;
- incur different management fees;
- incur different subscription and redemption fees;
- have a different nominal value;
- be systematically hedged (fully or partially), as specified in the prospectus. This hedging is achieved using financial instruments that minimise the impact of hedging transactions on the other share classes of the UCITS;
- be restricted to one or more marketing networks.

The shares may be divided, on the decision of an authorised representative of the portfolio management company, into tenths, hundredths, thousandths or ten-thousandths, these being known as fractions of shares.

The provisions of the regulations governing the issue and redemption of shares apply to fractions of shares, whose value will always be proportional to that of the share they represent. Unless stated otherwise, all other provisions of the regulations relating to shares apply to fractions of shares without the need to specify further provisions to that effect.

Finally, the authorised representative of the portfolio management company may, entirely at its own discretion, split the shares by creating new shares, which shall be allocated to shareholders in exchange for their existing shares.

#### Article 2 - Minimum amount of assets

Shares cannot be redeemed if the assets of the Fund fall below €300,000. In such a case, unless the assets rise above this amount in the intervening period, the portfolio management company shall take the necessary measures to liquidate the Fund or to carry out one of the operations specified in Article 411-16 of the AMF General Regulations (UCITS transfer).

#### Article 3 - Issue and redemption of shares

Shares may be issued at any time at the request of shareholders based on the NAV plus, if applicable, subscription fees.

Redemptions and subscriptions shall comply with the terms and conditions stipulated in the prospectus.

Shares of mutual funds may be admitted to an official listing in accordance with the regulations in force.

Subscriptions must be paid in full on the NAV calculation date.

Subscriptions may be made in cash and/or by the contribution of financial instruments. The management company is entitled to refuse the

securities proposed and, to this end, has seven days starting from the day of the deposit of such securities to communicate its decision. If accepted, the securities contributed shall be valued according to the rules stipulated in Article 4 and the subscription shall be made on the basis of the first NAV following the acceptance of the securities concerned.

Redemptions are effected exclusively in cash, except in the case of the Fund's liquidation when the shareholders have indicated that they agree to a reimbursement in securities. Settlement shall be made by the custodian within a maximum period of five days following the deadline for valuation of the shares.

However, if in exceptional circumstances the reimbursement requires the prior realisation of assets held in the Fund, this period may be extended to a maximum of 30 days.

Except in the case of succession or an inter vivos gift, the sale or transfer of shares between holders, or from holders to a third party, is deemed to be a redemption followed by a subscription; if this involves a third party, the sale or transfer amount must, where applicable, be supplemented by the beneficiary in order to reach at least the minimum subscription amount specified in the prospectus.

Pursuant to paragraph 3 of Article L.214-8-7 of the Monetary and Financial Code, the FCP's redemption of its shares, and the issue of new shares, may be suspended on a temporary basis by the management company if exceptional circumstances so require and if the interests of the holders so dictate.

Where the net assets of the FCP are below the amount specified in the regulations, no redemption of shares may be effected.

Minimum subscription conditions may apply, in accordance with the terms of the prospectus.

The FCP may cease to issue shares pursuant to article L. 214-8-7 of the Monetary and Financial Code in objective situations leading to the closure of subscriptions, such as a maximum number of shares or units issued, attainment of a maximum asset amount or the expiry of a

specified subscription period. These objective situations are defined in the prospectus for the FCP.

#### **Article 4 - Calculation of the NAV**

The net asset value of the shares is calculated in accordance with the valuation rules specified in the prospectus.

### **SECTION 2 - OPERATION OF THE FUND**

#### **Article 5 – Management company**

The Fund is managed by the management company in accordance with the guidelines specified for the Fund.

The portfolio management company shall in all circumstances act in the exclusive interest of the shareholders and has the sole right to exercise the voting rights attached to the securities held in the FCP.

#### **Article 5 bis - Operating rules**

The instruments and deposits in which the Fund's assets may be invested and the investment rules are described in the prospectus.

#### **Article 5 ter – Admission to trading on a regulated market and/or multilateral trading facility**

Units may be listed on a regulated market and/or multilateral trading facility in accordance with the regulations in force. In instances where the Fund has units listed on a regulated market and which have an index-based management objective, the Fund must have implemented measures to ensure that the price of its units does not deviate significantly from its net asset value.

#### **Article 6 - Depositary**

The depositary carries out the duties for which it is responsible under the laws and regulations in force, and those contractually entrusted to it by the management company. Above all, it must

ensure that the decisions taken by the portfolio management company are legitimate. Where applicable, it must take any protective measures it deems necessary. In the event of a dispute with the management company, it shall inform the Autorité des marchés financiers.

#### **Article 7 - Auditor**

An auditor is appointed by the governing body of the management company for a term of six years, following approval by the Autorité des marchés financiers.

The auditor shall certify the accuracy and fairness of the accounts. The auditor's mandate may be renewed.

The auditor shall notify the Autorité des marchés financiers promptly of any fact or decision regarding the UCITS of which he or she becomes aware in the course of his or her work that is liable to:

- 1) Constitute a material breach of any laws or regulations that apply to the Fund and that may have a significant impact on its financial position, income or assets;
- 2) Adversely affect the operating conditions or the continued operation of the Fund;
- 3) Lead to the expression of reservations or refusal to certify the financial statements

The auditor shall supervise the valuation of the assets and the determination of exchange ratios used in the event of a conversion, merger or split. The auditor shall assess any contribution in kind and shall verify the composition of the assets and other information before publication.

The auditor's fees are determined by mutual agreement between the auditor and the management company's executive board or board of directors on the basis of a work schedule indicating the duties deemed necessary.

The auditor shall verify situations giving rise to the distribution of payments.

The auditor's fees are included in the management fees.

#### **Article 8 – Financial statements and management report**

At the end of each financial year, the management company prepares the financial statements and a report on the management of the FCP during the past financial year.

The management company shall produce a list of the FCP's assets at least twice a year under the supervision of the depositary.

The management company shall make these documents available to shareholders no later than four months after the end of the financial year and shall notify them of the amount of income to which they are entitled. These documents shall either be sent by post at the shareholders' express request or made available to them at the offices of the management company.

### **SECTION 3 - ALLOCATION OF DISTRIBUTABLE INCOME**

#### **Article 9 – Procedures for allocating distributable income**

The net income for the financial year is equal to the amount of interest, arrears, dividends, premiums and share-outs, directors' fees and all income generated by the securities held in the portfolio of the Fund, plus income generated by temporary cash holdings, less management fees and borrowing costs.

The distributable sums consist of:

1. The net income for the financial year plus retained earnings, plus or minus the balance of the income equalisation accounts for the last financial year.
2. Gains incurred, net of costs, minus losses incurred, net of costs, recorded during the year, plus any net gains of the same type recorded in previous years which was not subject to distribution or accumulation, plus or minus the balance of any accruals or deferred expenses for the gains realised.

The amounts outlined at 1. and 2. above may be distributed in whole or in part, independently of one another.

The specific arrangements for allocating distributable income are set out in the prospectus.

## **SECTION 4 - MERGER - SPLIT - DISSOLUTION - LIQUIDATION**

### **Article 10 - Merger – Split**

The management company may merge all or part of the assets of the Fund with another UCITS under its management or split the Fund into two or more mutual funds which it will manage.

Such mergers or splits may only be carried out one month after the holders have been notified. They give rise to the issue of a new certificate stating the number of shares held by each holder.

### **Article 11 - Dissolution – Extension**

- If the assets of the Fund remain below the amount specified in article 2 above for thirty days, the management company shall inform the Autorité des marchés financiers and shall dissolve the Fund, except in the event of a merger with another mutual fund.

- The management company may dissolve the Fund early; it shall inform shareholders of its decision and from that date subscription and redemption orders shall no longer be accepted.

-The management company shall also dissolve the Fund if a request is made for the redemption of all the shares, if the depositary's appointment is terminated and no other depositary has been appointed, or upon the expiry of the Fund's term, unless such term is extended.

The management company shall inform the Autorité des marchés financiers by post of the dissolution date and procedure adopted. It shall subsequently send the auditor's report to the Autorité des marchés financiers.

The management company may decide to extend the life of the FCP by agreement with the depositary. Its decision must be taken at least three months before the expiry of the Fund's term and must be communicated to the

shareholders and the Autorité des marchés financiers.

### **Article 12 - Liquidation**

In the event of dissolution, the management company or the depositary, with its agreement, assumes the functions of liquidator; failing that, a liquidator is appointed by the court at the request of any interested party. To that end, they are vested with the widest powers to realise the assets, pay any creditors and distribute the available balance among the shareholders in cash or securities.

The auditor and the depositary shall continue to perform their duties until the liquidation process is completed.

## **SECTION 5 - DISPUTES**

### **Article 13 - Jurisdiction - Election of domicile**

Any disputes relating to the FCP arising during its term or at the time of its liquidation, either between the shareholders themselves or between the shareholders and the management company or the depositary, are subject to the jurisdiction of the competent courts.

# H2O MULTIBONDS SP

## French Mutual Fund

**REGULATIONS DATED**

**5 OCTOBER 2020**

### **SECTION 1 – ASSETS AND SHARES**

#### **Article 1 - Co-ownership shares**

Co-ownership rights shall be expressed as shares, with each share corresponding to the same proportion of the FCP's net assets (or of the sub-fund, if applicable). Each shareholder shall have co-ownership rights on the FCP's net assets in proportion to the number of shares held.

The term of the Fund is scheduled to extend until the Fund's assets are liquidated and it is dissolved. Classes of share:

The features of the various classes of share and their access conditions are stated in the prospectus for the FCP.

The various classes of share may:

- have different income distribution regimes (distribution or accumulation);
- be denominated in different currencies;
- incur different management fees;
- incur different subscription and redemption fees;
- have a different nominal value;
- be systematically hedged (fully or partially), as specified in the prospectus. This hedging is achieved using financial instruments that minimise the impact of hedging transactions on the other share classes of the UCITS;
- be restricted to one or more marketing networks.

The shares may be divided, on the decision of an authorised representative of the portfolio management company, into tenths, hundredths, thousandths or ten-thousandths, these being known as fractions of shares.

The provisions of the regulations governing the issue and redemption of shares apply to fractions of shares, whose value will always be proportional to that of the share they represent. Unless stated otherwise, all other provisions of the regulations relating to shares apply to fractions of shares without the need to specify further provisions to that effect.

Finally, the authorised representative of the portfolio management company may, entirely at its own discretion, split the shares by creating new shares, which shall be allocated to shareholders in exchange for their existing shares.

#### **Article 2 - Minimum amount of assets**

Shares cannot be redeemed if the assets of the Fund fall below €300,000. In such a case, unless the assets rise above this amount in the intervening period, the portfolio management company shall take the necessary measures to liquidate the Fund or to carry out one of the operations specified in Article 411-16 of the AMF General Regulations (UCITS transfer).

#### **Article 3 - Issue and redemption of shares**

Shares may be issued at any time at the request of shareholders based on the NAV plus, if applicable, subscription fees.

Redemptions and subscriptions shall comply with the terms and conditions stipulated in the prospectus.

Shares of mutual funds may be admitted to an official listing in accordance with the regulations in force.

Subscriptions must be paid in full on the NAV calculation date.

Subscriptions may be made in cash and/or by the contribution of financial instruments. The management company is entitled to refuse the

securities proposed and, to this end, has seven days starting from the day of the deposit of such securities to communicate its decision. If accepted, the securities contributed shall be valued according to the rules stipulated in Article 4 and the subscription shall be made on the basis of the first NAV following the acceptance of the securities concerned.

Redemptions are effected exclusively in cash, except in the case of the Fund's liquidation when the shareholders have indicated that they agree to a reimbursement in securities. Settlement shall be made by the custodian within a maximum period of five days following the deadline for valuation of the shares.

However, if in exceptional circumstances the reimbursement requires the prior realisation of assets held in the Fund, this period may be extended to a maximum of 30 days.

Except in the case of succession or an inter vivos gift, the sale or transfer of shares between holders, or from holders to a third party, is deemed to be a redemption followed by a subscription; if this involves a third party, the sale or transfer amount must, where applicable, be supplemented by the beneficiary in order to reach at least the minimum subscription amount specified in the prospectus.

Pursuant to paragraph 3 of Article L.214-8-7 of the Monetary and Financial Code, the FCP's redemption of its shares, and the issue of new shares, may be suspended on a temporary basis by the management company if exceptional circumstances so require and if the interests of the holders so dictate.

Where the net assets of the FCP are below the amount specified in the regulations, no redemption of shares may be effected.

Minimum subscription conditions may apply, in accordance with the terms of the prospectus.

The FCP may cease to issue shares pursuant to article L. 214-8-7 of the Monetary and Financial Code in objective situations leading to the closure of subscriptions, such as a maximum number of shares or units issued, attainment of a maximum asset amount or the expiry of a

specified subscription period. These objective situations are defined in the prospectus for the FCP.

#### **Article 4 - Calculation of the NAV**

The net asset value of the shares is calculated in accordance with the valuation rules specified in the prospectus.

### **SECTION 2 - OPERATION OF THE FUND**

#### **Article 5 – Management company**

The Fund is managed by the management company in accordance with the guidelines specified for the Fund.

The portfolio management company shall in all circumstances act in the exclusive interest of the shareholders and has the sole right to exercise the voting rights attached to the securities held in the FCP.

#### **Article 5 bis - Operating rules**

The instruments and deposits in which the Fund's assets may be invested and the investment rules are described in the prospectus.

#### **Article 5 ter – Admission to trading on a regulated market and/or multilateral trading facility**

Units may be listed on a regulated market and/or multilateral trading facility in accordance with the regulations in force. In instances where the Fund has units listed on a regulated market and which have an index-based management objective, the Fund must have implemented measures to ensure that the price of its units does not deviate significantly from its net asset value.

#### **Article 6 - Depositary**

The depositary carries out the duties for which it is responsible under the laws and regulations in force, and those contractually entrusted to it by the management company. Above all, it must

ensure that the decisions taken by the portfolio management company are legitimate. Where applicable, it must take any protective measures it deems necessary. In the event of a dispute with the management company, it shall inform the Autorité des marchés financiers.

#### **Article 7 - Auditor**

An auditor is appointed by the governing body of the management company for a term of six years, following approval by the Autorité des marchés financiers.

The auditor shall certify the accuracy and fairness of the accounts. The auditor's mandate may be renewed.

The auditor shall notify the Autorité des marchés financiers promptly of any fact or decision regarding the UCITS of which he or she becomes aware in the course of his or her work that is liable to:

- 1) Constitute a material breach of any laws or regulations that apply to the Fund and that may have a significant impact on its financial position, income or assets;
- 2) Adversely affect the operating conditions or the continued operation of the Fund;
- 3) Lead to the expression of reservations or refusal to certify the financial statements

The auditor shall supervise the valuation of the assets and the determination of exchange ratios used in the event of a conversion, merger or split. The auditor shall assess any contribution in kind and shall verify the composition of the assets and other information before publication.

The auditor's fees are determined by mutual agreement between the auditor and the management company's executive board or board of directors on the basis of a work schedule indicating the duties deemed necessary.

The auditor shall verify situations giving rise to the distribution of payments.

The auditor's fees are included in the management fees.

#### **Article 8 – Financial statements and management report**

At the end of each financial year, the management company prepares the financial statements and a report on the management of the FCP during the past financial year.

The management company shall produce a list of the FCP's assets at least twice a year under the supervision of the depositary.

The management company shall make these documents available to shareholders no later than four months after the end of the financial year and shall notify them of the amount of income to which they are entitled. These documents shall either be sent by post at the shareholders' express request or made available to them at the offices of the management company.

### **SECTION 3 - ALLOCATION OF DISTRIBUTABLE INCOME**

#### **Article 9 – Procedures for allocating distributable income**

The net income for the financial year is equal to the amount of interest, arrears, dividends, premiums and share-outs, directors' fees and all income generated by the securities held in the portfolio of the Fund, plus income generated by temporary cash holdings, less management fees and borrowing costs.

The distributable sums consist of:

1. The net income for the financial year plus retained earnings, plus or minus the balance of the income equalisation accounts for the last financial year.
2. Gains incurred, net of costs, minus losses incurred, net of costs, recorded during the year, plus any net gains of the same type recorded in previous years which was not subject to distribution or accumulation, plus or minus the balance of any accruals or deferred expenses for the gains realised.

The amounts outlined at 1. and 2. above may be distributed in whole or in part, independently of one another.

The specific arrangements for allocating distributable income are set out in the prospectus.

## **SECTION 4 - MERGER - SPLIT - DISSOLUTION - LIQUIDATION**

### **Article 10 - Merger – Split**

The management company may merge all or part of the assets of the Fund with another UCITS under its management or split the Fund into two or more mutual funds which it will manage.

Such mergers or splits may only be carried out one month after the holders have been notified. They give rise to the issue of a new certificate stating the number of shares held by each holder.

### **Article 11 - Dissolution – Extension**

- If the assets of the Fund remain below the amount specified in article 2 above for thirty days, the management company shall inform the Autorité des marchés financiers and shall dissolve the Fund, except in the event of a merger with another mutual fund.

- The management company may dissolve the Fund early; it shall inform shareholders of its decision and from that date subscription and redemption orders shall no longer be accepted.

-The management company shall also dissolve the Fund if a request is made for the redemption of all the shares, if the depositary's appointment is terminated and no other depositary has been appointed, or upon the expiry of the Fund's term, unless such term is extended.

The management company shall inform the Autorité des marchés financiers by post of the dissolution date and procedure adopted. It shall subsequently send the auditor's report to the Autorité des marchés financiers.

The management company may decide to extend the life of the FCP by agreement with the depositary. Its decision must be taken at least three months before the expiry of the Fund's term and must be communicated to the

shareholders and the Autorité des marchés financiers.

### **Article 12 - Liquidation**

In the event of dissolution, the management company or the depositary, with its agreement, assumes the functions of liquidator; failing that, a liquidator is appointed by the court at the request of any interested party. To that end, they are vested with the widest powers to realise the assets, pay any creditors and distribute the available balance among the shareholders in cash or securities.

The auditor and the depositary shall continue to perform their duties until the liquidation process is completed.

## **SECTION 5 - DISPUTES**

### **Article 13 - Jurisdiction - Election of domicile**

Any disputes relating to the FCP arising during its term or at the time of its liquidation, either between the shareholders themselves or between the shareholders and the management company or the depositary, are subject to the jurisdiction of the competent courts.



# H2O VIVACE FCP

## REGULATIONS

25 SEPTEMBER 2020

### SECTION 1 - ASSETS AND SHARES

#### Article 1 - Co-ownership shares

The co-owners' rights are expressed as shares, each share representing an equal fraction of the assets of the Fund. Each shareholder has a co-ownership right to the Fund's assets, proportional to the number of shares held.

The term of the Fund is 99 years from its inception, except in the event of early dissolution or extension, as provided for in these regulations.

The features of the various classes of shares and their access conditions are stated in the prospectus of the Fund.

The various classes of shares may:

- have different income distribution regimes (distribution or accumulation);
- be denominated in different currencies;
- incur different management fees;
- incur different subscription and redemption fees;
- have a different nominal value;
- be matched with a partial or total automatic risk hedging as set forth in the prospectus. This hedge is provided through financial instruments that reduce the impact from hedging transactions on the other categories of UCITS units to a minimum;
- be reserved for one or a few marketing networks.

The shares may be divided, on the decision of the corporate officer of the management company, into tenths, hundredths, thousandths or ten-thousandths, these being known as fractions of shares.

The provisions of the regulations governing the issue and redemption of shares apply to fractions of shares, whose value will always be proportional to that of the share they represent. Unless stated otherwise, all other provisions of the regulations relating to shares apply to fractions of shares without the need to specify further provisions to that effect.

Finally, the corporate officer of the management company may, at his own discretion, split the shares by creating new shares, which shall be allocated to shareholders in exchange for their existing shares.

#### Article 2 - Minimum amount of assets

Shares cannot be redeemed if the assets of the Fund fall below €300,000 and if the assets remain below for thirty days, the management company shall take the necessary measures to dissolve the Fund or carry out one of the transactions mentioned under article 411-16 of the Fund Regulations (change in the UCITS).

#### Article 3 - Issue and redemption of shares

Shares may be issued at any time at the request of holders, on the basis of their net asset value plus subscription fees, where applicable.

Subscriptions and redemptions are effected in accordance with the terms and conditions defined in the prospectus.

Shares of mutual funds may be admitted to an official listing in accordance with the regulations in force.

Subscriptions must be fully paid up on the day of calculation of the net asset value.

Subscriptions may be made in cash and/or by the contribution of financial instruments. The management company is entitled to refuse the securities offered and, to this end, has a period of seven days from the date of their deposit in order to notify its decision. In the case of acceptance, the securities provided are valued in accordance with the rules specified in article 4 and the subscription takes place on the basis of the first net asset value following acceptance of the securities concerned.

Redemptions may be effected for cash and/or in kind.

If the redemption in kind corresponds to a representative proportion of the assets in the portfolio, then only the written agreement signed by the redeeming unitholder must be obtained by the UCITS or the management company. Where the redemption in kind does not correspond to a representative portion of the assets in the portfolio, all unitholders must provide written agreement authorising the

redeeming unitholder to redeem its units for certain particular assets, as explicitly defined in the agreement.

Notwithstanding the foregoing, when the Fund is an ETF, redemptions on the primary market may, with the agreement of the portfolio management company and in compliance with the interests of unitholders, be made in kind under the conditions defined in the prospectus or the Fund regulations. The assets are delivered by the issuer's account holder under the conditions set out in the prospectus.

In general, the redeemed assets are valued according to the rules set out in Article 4 and the redemption in kind is made based on the first net asset value following acceptance of the securities concerned.

Redemptions are settled by the issuer's account keeper no later than five days following the day of valuation of the share.

However, if in exceptional circumstances the reimbursement requires the prior realization of assets held in the Fund, this period may be extended to a maximum of 30 days.

Except in the case of succession or an inter vivos gift, the sale or transfer of shares between holders, or from holders to a third party, is deemed to be a redemption followed by a subscription; if this involves a third party, the sale or transfer amount must, where applicable, be supplemented by the beneficiary in order to reach at least the minimum subscription amount specified in the prospectus.

Pursuant to article L.214-8-7 of the Monetary and Financial Code, the Fund's redemption of its shares, and the issue of new shares, may be suspended on a temporary basis by the management company if exceptional circumstances so require and if the interests of the holders so dictate.

Where the net assets of the Fund are below the amount specified in the regulations, no redemption of shares may be effected.

Minimum subscription conditions may apply, in accordance with the terms of the prospectus.

The Fund may cease, provisionally or definitively, in whole or in part, to issue shares pursuant to article L. 214-8-7, para. 3 of the Monetary and Financial Code in objective situations leading to the closure of subscriptions, such as a maximum number of units issued, attainment of a maximum asset amount or the expiry of a specified subscription period.

The triggering of this tool will be subject to information being sent by any means to the existing unitholders relating to its activation, as well as the threshold and the objective situation that led to the decision to partially or completely close subscriptions. In the event of a partial closure, this information by any means will explicitly state the terms under which existing unitholders may continue to make subscriptions for the duration of the partial closure. Unitholders are also informed by any means of the decision of the UCI or the management company to either terminate the total or partial closure of subscriptions (when falling below the trigger threshold), or not to terminate it (in the event of a change in the threshold or change in the objective situation leading to the implementation of this tool). A change in the objective situation invoked or the trigger threshold of the tool must always be made in the interests of the unitholders. Information by any means specifies the exact reasons for these changes.

#### **Article 4 - Calculation of net asset value**

The net asset value of the shares is calculated in accordance with the valuation rules specified in the prospectus.

Contributions in kind may only comprise securities or contracts that are permitted to form part of the assets of UCITS; contributions and redemptions in kind are valued in accordance with the valuation rules applicable to the calculation of the net asset value.

## **SECTION 2 - OPERATION OF THE FUND**

### **Article 5 - Management company**

The Fund is managed by the management company in accordance with the guidelines specified for the Fund.

The management company acts in all circumstances exclusively on behalf of the shareholders and has the exclusive right to exercise the voting rights attached to the securities held in the Fund.

### **Article 5a - Operating rules**

The instruments and deposits in which the Fund's assets may be invested and the investment rules are described in the prospectus.

**Article 5b – Admission to trading on a regulated market and/or multilateral trading facility**

Units may be admitted to trading on a regulated market and/or multilateral trading facility in accordance with the regulations in force. If the Fund whose units are admitted to trading on a regulated market has an index-based management objective, the Fund must have implemented measures to ensure that the price of its units does not deviate significantly from its net asset value.

**Article 6 - Depositary**

The depositary shall perform the duties incumbent upon it in accordance with the laws and regulations in force, in addition to those mandated to it by the management company.

It must, in particular, ensure that the decisions taken by the management company comply with regulations. If applicable, it must take all protective measures it deems appropriate.

In the event of a dispute with the management company, it shall inform the Autorité des marchés financiers of the dispute.

**Article 7 - Auditor**

An auditor is appointed by the governance body of the management company for a term of six financial years, following approval by the Autorité des marchés financiers.

He shall certify the compliance and accuracy of the accounts.

The auditor is required to notify the Autorité des marchés financiers at the earliest opportunity of any fact or decision concerning the UCITS of which he has become aware in the course of fulfilling his duties that:

1° constitutes a breach of the legislation or regulations applicable to the Fund and which may have a significant impact on its financial position, performance or assets;

2° affects the conditions or continuation of its operation;

3° entails the expression of a reservation or the refusal to certify the accounts.

The auditor shall supervise the valuation of the assets and the determination of exchange ratios used in the event of a conversion, merger or split.

The auditor shall assess any contribution or redemption in kind under his responsibility, except in the case of redemptions in kind for an ETF on the primary market.

The auditor shall verify the composition of the assets and other information before publication.

The auditor's fees are determined by mutual agreement between the auditor and the Board of Directors or Management Board of the management company on the basis of a work schedule indicating the duties deemed necessary.

The auditor shall certify situations giving rise to the distribution of down payments.

The auditor's fees are included in the management fees.

**Article 8 - Financial statements and management report**

At the end of each financial year, the management company prepares the financial statements and a report on the management of the Fund during the past financial year.

At least biannually, the management company shall provide a schedule of the UCITS assets under the supervision of the depositary.

The management company shall make these documents available to shareholders no later than four months after the financial year-end and shall notify them of the amount of income to which they are entitled. These documents shall either be sent by post at the shareholders' express request or shall be made available to them at the offices of the management company.

**SECTION 3 - ALLOCATION OF DISTRIBUTABLE INCOME**

**Article 9 – Allocation of distributable income**

The net income for the financial year is equal to the amount of interest, arrears, dividends, premiums and share-outs, directors' fees and all income generated by the securities held in the portfolio of the Fund, plus income generated by temporary cash holdings, less management fees and borrowing costs.

Distributable income consists of:

1° net income for the period plus retained earnings, plus or minus the balance of any accrued income or deferred expenses for the last financial year;

2° gains realised, net of costs, minus net capital losses incurred, net of costs, recorded during the year, plus any net gains of the same type recorded in previous years which was not subject to distribution or accumulation, plus or

minus the balance of any accruals or deferred expenses for the gains realised.

The amounts outlined at 1 and 2 above may be distributed in whole or in part, independently of one another.

The specific arrangements for allocating distributable income are set out in the Prospectus.

#### **SECTION 4 - MERGER - SPLIT - DISSOLUTION - LIQUIDATION**

##### **Article 10 - Merger – Split**

The management company may merge all or part of the assets of the Fund with another UCITS or AIF or split the Fund into two or more other funds.

Such mergers or splits may only be carried out after the holders have been notified. They give rise to the issue of a new certificate stating the number of shares held by each holder.

##### **Article 11 - Dissolution – Extension**

If the assets of the Fund remain below the amount specified in article 2 above for thirty days, the management company shall inform the Autorité des marchés financiers and shall dissolve the Fund, except in the event of a merger with another mutual fund.

The management company may dissolve the Fund early; it shall inform shareholders of its decision and from that date subscription and redemption orders shall no longer be accepted.

The management company shall also dissolve the Fund if a request is made for the redemption of all the shares, if the depositary's appointment is terminated and no other depositary has been appointed, or upon the expiry of the Fund's term, unless such term is extended.

The management company shall inform the Autorité des marchés financiers by post of the dissolution date and procedure adopted. It shall subsequently send the auditor's report to the Autorité des marchés financiers.

The management company may decide to extend the life of the fund by agreement with the depositary. Its decision must be taken at least three months before the expiry of the Fund's term and must be communicated to the shareholders and the Autorité des marchés financiers.

##### **Article 12 – Liquidation**

In the event of dissolution, the management company is responsible for carrying out the liquidation; if this is not feasible, the liquidator shall be designated by the courts upon the application of any interested party. To that end, it is vested with the widest powers to realize the assets, pay any creditors and distribute the available balance among the shareholders in cash or securities.

The auditor and the depositary shall continue to perform their duties until the liquidation operations have been completed.

#### **SECTION 5 – DISPUTES**

##### **Article 13 - Jurisdiction - Election of domicile**

Any disputes relating to the Fund arising during its term or at the time of its liquidation, either between the shareholders themselves or between the shareholders and the management company or the depositary, are subject to the jurisdiction of the competent courts.

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## REGULATIONS

25 SEPTEMBER 2020

### SECTION 1 - ASSETS AND SHARES

#### Article 1 - Co-ownership shares

The co-owners' rights are expressed as shares, each share representing an equal fraction of the assets of the Fund. Each shareholder has a co-ownership right to the Fund's assets, proportional to the number of shares held.

The term of the Fund is scheduled until the Fund's assets are liquidated and its dissolution. The features of the various classes of shares and their access conditions are stated in the prospectus of the Fund.

The various classes of shares may:

- have different income distribution regimes (distribution or accumulation);
- be denominated in different currencies;
- incur different management fees;
- incur different subscription and redemption fees;
- have a different nominal value;
- be matched with a partial or total automatic risk hedging as set forth in the prospectus. This hedge is provided through financial instruments that reduce the impact from hedging transactions on the other categories of UCITS units to a minimum;
- be reserved for one or a few marketing networks.

The shares may be divided, on the decision of the corporate officer of the management company, into tenths, hundredths, thousandths or ten-thousandths, these being known as fractions of shares.

The provisions of the regulations governing the issue and redemption of shares apply to fractions of shares, whose value will always be proportional to that of the share they represent. Unless stated otherwise, all other provisions of the regulations relating to shares apply to fractions of shares without the need to specify further provisions to that effect.

Finally, the corporate officer of the management company may, at his own discretion, split the shares by creating new shares, which shall be

allocated to shareholders in exchange for their existing shares.

#### Article 2 - Minimum amount of assets

Shares cannot be redeemed if the assets of the Fund fall below €300,000 and if the assets remain below for thirty days, the management company shall take the necessary measures to dissolve the Fund or carry out one of the transactions mentioned under article 411-16 of the Fund Regulations (change in the UCITS).

#### Article 3 - Issue and redemption of shares

Shares may be issued at any time at the request of holders, on the basis of their net asset value plus subscription fees, where applicable.

Subscriptions and redemptions are effected in accordance with the terms and conditions defined in the prospectus.

Shares of mutual funds may be admitted to an official listing in accordance with the regulations in force.

Subscriptions must be fully paid up on the day of calculation of the net asset value.

Subscriptions may be made in cash and/or by the contribution of financial instruments. The management company is entitled to refuse the securities offered and, to this end, has a period of seven days from the date of their deposit in order to notify its decision. In the case of acceptance, the securities provided are valued in accordance with the rules specified in article 4 and the subscription takes place on the basis of the first net asset value following acceptance of the securities concerned.

Redemptions may be effected for cash and/or in kind.

If the redemption in kind corresponds to a representative proportion of the assets in the portfolio, then only the written agreement signed by the redeeming unitholder must be obtained by the UCITS or the management company. Where the redemption in kind does not correspond to a representative portion of the assets in the portfolio, all unitholders must provide written agreement authorising the redeeming unitholder to redeem its units for certain particular assets, as explicitly defined in the agreement.

Notwithstanding the foregoing, when the Fund is an ETF, redemptions on the primary market may, with the agreement of the portfolio management company and in compliance with the interests of unitholders, be made in kind under the conditions defined in the prospectus or the Fund regulations. The assets are delivered by the issuer's account holder under the conditions set out in the prospectus.

In general, the redeemed assets are valued according to the rules set out in Article 4 and the redemption in kind is made based on the first net asset value following acceptance of the securities concerned.

Redemptions are settled by the issuer's account keeper no later than five days following the day of valuation of the share.

However, if in exceptional circumstances the reimbursement requires the prior realization of assets held in the Fund, this period may be extended to a maximum of 30 days.

Except in the case of succession or an inter vivos gift, the sale or transfer of shares between holders, or from holders to a third party, is deemed to be a redemption followed by a subscription; if this involves a third party, the sale or transfer amount must, where applicable, be supplemented by the beneficiary in order to reach at least the minimum subscription amount specified in the prospectus.

Pursuant to article L.214-8-7 of the Monetary and Financial Code, the Fund's redemption of its shares, and the issue of new shares, may be suspended on a temporary basis by the management company if exceptional circumstances so require and if the interests of the holders so dictate.

Where the net assets of the Fund are below the amount specified in the regulations, no redemption of shares may be effected.

Minimum subscription conditions may apply, in accordance with the terms of the prospectus.

The Fund may cease, provisionally or definitively, in whole or in part, to issue shares pursuant to article L. 214-8-7, para. 3 of the Monetary and Financial Code in objective situations leading to the closure of subscriptions, such as a maximum number of units issued, attainment of a maximum asset amount or the expiry of a specified subscription period.

The triggering of this tool will be subject to information being sent by any means to the existing unitholders relating to its activation, as well as the threshold and the objective situation that led to the decision to partially or completely

close subscriptions. In the event of a partial closure, this information by any means will explicitly state the terms under which existing unitholders may continue to make subscriptions for the duration of the partial closure. Unitholders are also informed by any means of the decision of the UCI or the management company to either terminate the total or partial closure of subscriptions (when falling below the trigger threshold), or not to terminate it (in the event of a change in the threshold or change in the objective situation leading to the implementation of this tool). A change in the objective situation invoked or the trigger threshold of the tool must always be made in the interests of the unitholders. Information by any means specifies the exact reasons for these changes.

#### **Article 4 - Calculation of net asset value**

The net asset value of the shares is calculated in accordance with the valuation rules specified in the prospectus.

Contributions in kind may only comprise securities or contracts that are permitted to form part of the assets of UCITS; contributions and redemptions in kind are valued in accordance with the valuation rules applicable to the calculation of the net asset value.

## **SECTION 2 - OPERATION OF THE FUND**

### **Article 5 - Management company**

The Fund is managed by the management company in accordance with the guidelines specified for the Fund.

The management company acts in all circumstances exclusively on behalf of the shareholders and has the exclusive right to exercise the voting rights attached to the securities held in the Fund.

### **Article 5a - Operating rules**

The instruments and deposits in which the Fund's assets may be invested and the investment rules are described in the prospectus.

**Article 5b – Admission to trading on a regulated market and/or multilateral trading facility**

Units may be admitted to trading on a regulated market and/or multilateral trading facility in accordance with the regulations in force. If the Fund whose units are admitted to trading on a regulated market has an index-based management objective, the Fund must have implemented measures to ensure that the price of its units does not deviate significantly from its net asset value.

**Article 6 - Depositary**

The depositary shall perform the duties incumbent upon it in accordance with the laws and regulations in force, in addition to those mandated to it by the management company.

It must, in particular, ensure that the decisions taken by the management company comply with regulations. If applicable, it must take all protective measures it deems appropriate.

In the event of a dispute with the management company, it shall inform the Autorité des marchés financiers of the dispute.

**Article 7 - Auditor**

An auditor is appointed by the governance body of the management company for a term of six financial years, following approval by the Autorité des marchés financiers.

He shall certify the compliance and accuracy of the accounts.

The auditor is required to notify the Autorité des marchés financiers at the earliest opportunity of any fact or decision concerning the UCITS of which he has become aware in the course of fulfilling his duties that:

1° constitutes a breach of the legislation or regulations applicable to the Fund and which may have a significant impact on its financial position, performance or assets;

2° affects the conditions or continuation of its operation;

3° entails the expression of a reservation or the refusal to certify the accounts.

The auditor shall supervise the valuation of the assets and the determination of exchange ratios used in the event of a conversion, merger or split.

The auditor shall assess any contribution or redemption in kind under his responsibility, except in the case of redemptions in kind for an ETF on the primary market.

The auditor shall verify the composition of the assets and other information before publication.

The auditor's fees are determined by mutual agreement between the auditor and the Board of Directors or Management Board of the management company on the basis of a work schedule indicating the duties deemed necessary.

The auditor shall certify situations giving rise to the distribution of down payments.

The auditor's fees are included in the management fees.

**Article 8 - Financial statements and management report**

At the end of each financial year, the management company prepares the financial statements and a report on the management of the Fund during the past financial year.

At least biannually, the management company shall provide a schedule of the UCITS assets under the supervision of the depositary.

The management company shall make these documents available to shareholders no later than four months after the financial year-end and shall notify them of the amount of income to which they are entitled. These documents shall either be sent by post at the shareholders' express request or shall be made available to them at the offices of the management company.

**SECTION 3 - ALLOCATION OF DISTRIBUTABLE INCOME**

**Article 9 – Allocation of distributable income**

The net income for the financial year is equal to the amount of interest, arrears, dividends, premiums and share-outs, directors' fees and all income generated by the securities held in the portfolio of the Fund, plus income generated by temporary cash holdings, less management fees and borrowing costs.

Distributable income consists of:

1° net income for the period plus retained earnings, plus or minus the balance of any accrued income or deferred expenses for the last financial year;

2° gains realised, net of costs, minus net capital losses incurred, net of costs, recorded during the year, plus any net gains of the same type recorded in previous years which was not subject to distribution or accumulation, plus or

minus the balance of any accruals or deferred expenses for the gains realised.

The amounts outlined at 1 and 2 above may be distributed in whole or in part, independently of one another.

The specific arrangements for allocating distributable income are set out in the Prospectus.

#### **SECTION 4 - MERGER - SPLIT - DISSOLUTION - LIQUIDATION**

##### **Article 10 - Merger – Split**

The management company may merge all or part of the assets of the Fund with another UCITS or AIF or split the Fund into two or more other funds.

Such mergers or splits may only be carried out after the holders have been notified. They give rise to the issue of a new certificate stating the number of shares held by each holder.

##### **Article 11 - Dissolution – Extension**

If the assets of the Fund remain below the amount specified in article 2 above for thirty days, the management company shall inform the Autorité des marchés financiers and shall dissolve the Fund, except in the event of a merger with another mutual fund.

The management company may dissolve the Fund early; it shall inform shareholders of its decision and from that date subscription and redemption orders shall no longer be accepted.

The management company shall also dissolve the Fund if a request is made for the redemption of all the shares, if the depositary's appointment is terminated and no other depositary has been appointed, or upon the expiry of the Fund's term, unless such term is extended.

The management company shall inform the Autorité des marchés financiers by post of the dissolution date and procedure adopted. It shall subsequently send the auditor's report to the Autorité des marchés financiers.

The management company may decide to extend the life of the fund by agreement with the depositary. Its decision must be taken at least three months before the expiry of the Fund's term and must be communicated to the shareholders and the Autorité des marchés financiers.

##### **Article 12 – Liquidation**

In the event of dissolution, the management company is responsible for carrying out the liquidation; if this is not feasible, the liquidator shall be designated by the courts upon the application of any interested party. To that end, it is vested with the widest powers to realize the assets, pay any creditors and distribute the available balance among the shareholders in cash or securities.

The auditor and the depositary shall continue to perform their duties until the liquidation operations have been completed.

#### **SECTION 5 – DISPUTES**

##### **Article 13 - Jurisdiction - Election of domicile**

Any disputes relating to the Fund arising during its term or at the time of its liquidation, either between the shareholders themselves or between the shareholders and the management company or the depositary, are subject to the jurisdiction of the competent courts.