

## Informazioni chiave per gli investitori

Il presente documento contiene le informazioni chiave di cui tutti gli investitori devono disporre in relazione a questo OICVM. Non si tratta di un documento promozionale. Le informazioni contenute nel presente documento, richieste dalla legge, hanno lo scopo di aiutare gli investitori a capire la natura di questo OIC e i rischi a esso connessi. Si raccomanda di prenderne visione, in modo da operare una scelta informata in merito all'opportunità di investire.



# Essor Japan Opportunities

Questo OICVM è gestito da Rothschild & Co Asset Management Europe  
Codice ISIN: FR0000011355 (Azione C EUR)

## Obiettivi e politica d'investimento

• **Obiettivo di gestione:** L'obiettivo della SICAV è di ricercare le opportunità offerte dal mercato giapponese tra i titoli a bassa, media ed alta capitalizzazione.

• **Classificazione:** Azioni internazionali.

• **Indice di riferimento:** La SICAV non ha un indice di riferimento specifico e può investire in società di qualsiasi dimensione (piccola, media, grande capitalizzazione). Pertanto l'investitore dovrà confrontare l'andamento di Essor Japan Opportunities con quello dei tre principali indici rappresentativi del mercato giapponese (Topix, TSE2 e Nikkei Jasdax), con reinvestimento dei dividendi. L'indice di riferimento è utilizzato solo a fini comparativi. L'OIC è gestito attivamente e in maniera discrezionale. L'OIC non fa riferimento a nessun indice.

• **Politica d'investimento:**

Si tratta di una gestione attiva non indicizzata all'indice di riferimento, di tipo "bottom-up", ampiamente basata su contatti diretti con le società. Il portafoglio risulta esposto tra il 90 e il 100% ad azioni di società giapponesi di qualsiasi capitalizzazione selezionate sulla base di analisi e di parametri finanziari fondamentali.

Gli investimenti (limitati al 10% massimo del patrimonio) in obbligazioni e titoli di credito denominati in yen, a medio o lungo termine (diversificazione) verranno scelti in via prioritaria tra i debiti pubblici del Giappone. Sono ammesse tutte le forme di valori mobiliari: a reddito fisso, variabile o misto, a cedola bassa o uguale a zero e qualsivoglia altra forma di valore mobiliare di qualsiasi

rating. Per investire il subdelegato finanziario utilizza le proprie analisi del credito per la selezione dei titoli da acquistare o in portafoglio. Basa la sua analisi su elementi quantitativi e qualitativi ben definiti e oggetto di procedure, che consentono di valutare la qualità creditizia degli emittenti, senza ricorrere esclusivamente o meccanicamente ai rating forniti dalle agenzie.

Nell'ambito della gestione della liquidità, l'OICVM può investire fino al 10% del patrimonio in quote o azioni di OICVM di diritto francese o europeo che non possono a loro volta investire più del 10% del loro patrimonio in quote o azioni di altri OIC o fondi d'investimento, e/o in quote o azioni di FIA di diritto francese o europeo, a condizione che rispettino i 4 criteri dell'articolo R. 214-13 del Codice monetario e finanziario francese.

Il rischio di cambio per l'azionista potrà raggiungere il 100% del patrimonio netto della SICAV.

Frequenza di valorizzazione: quotidiana. Centralizzazione degli ordini di sottoscrizione/rimborso (S/R): ogni giorno alle ore 11:30 presso CACEIS Bank, dei 2 giorni precedenti. Esecuzione degli ordini: VP seguente (prezzo sconosciuto). Data di regolamento S/R: VP + 2 giorni lavorativi. Questa azione è un'azione di accumulazione.

Raccomandazione: questo OIC potrebbe non essere indicato per gli investitori che prevedono di ritirare il proprio capitale entro 5 anni.

## Profilo di rischio e di rendimento



• Il livello di rischio di questo OICVM è di 6 (volatilità compresa fra il 15% e il 25%) e riflette principalmente il suo posizionamento sul mercato azionario giapponese.

• I dati storici utilizzati per il calcolo di questo indicatore sintetico potrebbero non costituire un'indicazione affidabile circa il futuro profilo di rischio dell'OICVM.

• La categoria di rischio associata all'OICVM non è garantita e potrebbe subire nel tempo variazioni in entrambi i sensi.

• Si noti che la categoria più bassa non indica un investimento privo di rischio.

• Il capitale non è garantito.

Altri rischi che rivestono importanza significativa e che non sono adeguatamente rilevati dall'indicatore:

Non previsti.

Il verificarsi di uno di questi rischi potrà determinare una diminuzione del valore patrimoniale netto dell'OIC.

Per maggiori informazioni sul profilo di rischio e sui principali fattori che lo influenzano, si invita a consultare il prospetto.

## Spese

Le spese e le commissioni servono a coprire i costi operativi dell'OICVM, inclusi quelli di commercializzazione e distribuzione delle azioni. Queste spese riducono il rendimento potenziale dell'investimento.

### Spese una tantum prelevate prima o dopo l'investimento

Spese di sottoscrizione	2,50%
Spese di rimborso	Non previste

Percentuali massime che possono essere prelevate dal vostro capitale prima che venga investito e/o prima che il rendimento dell'investimento venga distribuito. In alcuni casi, potreste pagare meno. L'investitore può ottenere presso il suo consulente o il suo distributore l'importo effettivo della spesa di sottoscrizione e di rimborso.

### Spese prelevate dall'OIC in un anno

Spese correnti (in % del patrimonio netto)	1,65%
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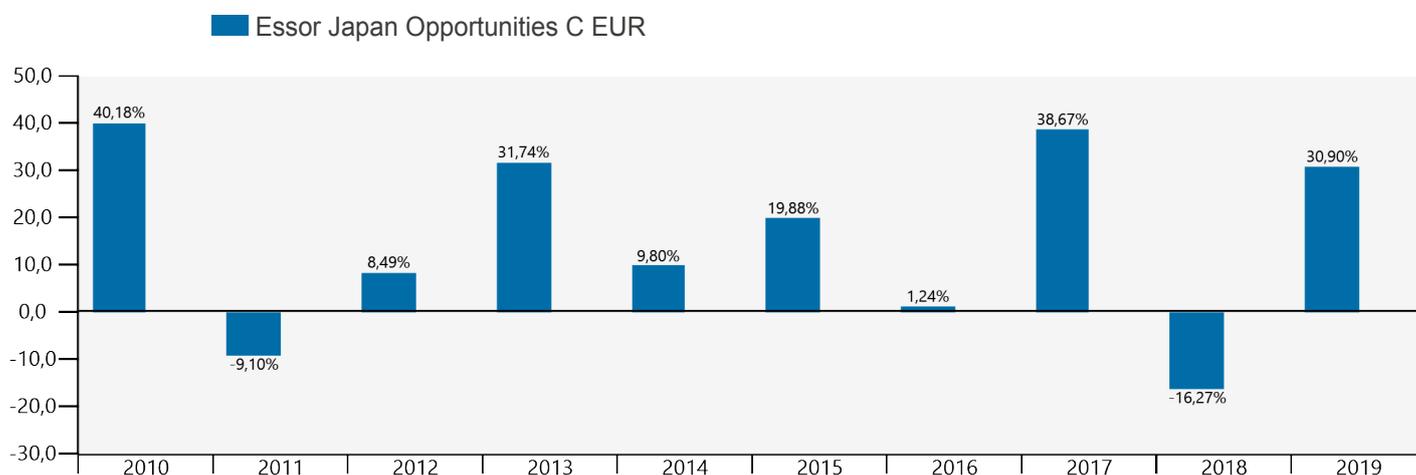
La percentuale delle spese correnti indicata si basa sulle spese dell'esercizio precedente chiuso a settembre 2019. Quest'importo può variare da un esercizio all'altro. Le spese correnti non comprendono le commissioni legate al rendimento e le spese d'intermediazione, eccetto il caso di spese di sottoscrizione e/o di rimborso pagate dall'OIC quando acquista o vende quote/azioni di un altro veicolo di gestione collettiva.

### Spese una tantum prelevate dall'OIC a determinate condizioni specifiche

Commissioni legate al rendimento	Non previste
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Per maggiori informazioni sulle spese, si rinvia alla sezione "Spese e commissioni" del prospetto di questo OICVM, disponibile su richiesta scritta all'indirizzo indicato nella sezione "Informazioni pratiche" sotto riportata.

## Risultati ottenuti nel passato



Questo OICVM è stato creato nel **2002**.

Le Azioni "C EUR" sono state create in data 15/02/2002.

I rendimenti sono stati calcolati in EUR.

I rendimenti ottenuti nel passato non sono indicativi dei risultati futuri. I dati di rendimento includono gli oneri sullo stesso gravanti (le commissioni di gestione).

## Informazioni pratiche

La banca depositaria dell'OICVM è Caceis Bank.

Il prospetto completo dell'OICVM e le ultime relazioni annuali e periodiche sono disponibili in lingua francese e si possono ottenere a titolo gratuito entro otto giorni lavorativi, su semplice richiesta scritta, al seguente indirizzo:

Rothschild & Co Asset Management Europe - Service Commercial 29, avenue de Messine 75008 Paris.

Il valore patrimoniale netto verrà pubblicato sul sito internet della società di gestione: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

La normativa in materia fiscale dello Stato membro d'origine dell'OICVM potrebbe avere un impatto sulla situazione fiscale personale dell'investitore.

Rothschild & Co Asset Management Europe può essere ritenuta responsabile esclusivamente sulla base delle dichiarazioni contenute nel presente documento che risultano fuorvianti, inesatte o incoerenti rispetto alle corrispondenti parti del prospetto per l'OICVM.

Questo OICVM può essere costituito da azioni di altro tipo. Maggiori informazioni su tali azioni sono disponibili nel prospetto dell'OICVM o sul seguente sito Internet: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

Il presente OICVM è autorizzato in Francia e regolamentato dall'*Autorité des Marchés Financiers*.

Rothschild & Co Asset Management Europe è autorizzata in Francia e regolamentata dall'*Autorité des Marchés Financiers*.

I dettagli della politica di remunerazione aggiornata della società di gestione sono disponibili sul sito internet [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com). Un esemplare cartaceo della politica di remunerazione è disponibile gratuitamente su richiesta presso la sede legale della società di gestione.

Le informazioni chiave per gli investitori qui riportate sono esatte alla data dell'11 febbraio 2020.



# ESSOR JAPAN OPPORTUNITIES

SICAV

Prospectus

Updated on 11 February 2020



UCITS governed by European Directive 2009/65/EC

## PROSPECTUS

### I – General characteristics

- **Name:** ESSOR JAPAN OPPORTUNITIES
- **Legal form:** Investment company with variable capital (SICAV) governed by French law
- **Registered office:** 29, avenue de Messine – 75008 Paris
- **Creation date:** SICAV created on 29 January 2002
- **Expected life:** 99 years.
- **Summary of the management proposal:**

Share name	ISIN code	Target subscribers	Allocation of amounts available for distribution	Currency of issue	Initial value of the share	Minimum initial subscription*	Minimum subsequent subscription
C EUR	FR0000011355	All subscribers	Accumulation	Euro	€1,000	1 share	1 thousandth of a share
C JPY	FR0013381142	All subscribers	Accumulation	JPY	JPY 100,000	1 share	1 thousandth of a share
I EUR	FR0013329976	All subscribers but specifically intended for institutional investors	Accumulation	Euro	€100,000	€1,000,000	1 thousandth of a share
I JPY	FR0013381159	All subscribers but specifically intended for institutional investors	Accumulation	JPY	JPY 10,000,000	JPY 130,000,000	1 thousandth of a share
MF JPY	FR0013381175	Share reserved for feeder UCIs of the Rothschild & Co Group	Income	JPY	JPY 100,000	JPY 650,000	1 thousandth of a share

\* Subsequent subscriptions may be done in thousandths of a share or fractions of shares, where applicable. The management company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

➤ **Where the articles of association of the SICAV, the latest annual report, and the latest interim statements can be obtained:**

The latest annual and periodic reports will be sent to shareholders within eight business days of receipt of a written request sent to:

Rothschild & Co Asset Management Europe

Service commercial

29 avenue de Messine

75008 Paris

The Key Investor Information Documents (KIID) are also available [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

Additional explanations can be obtained from the management company's commercial department (tel: 01 40 74 40 84) or by e-mail at the following address: [clientserviceteam@rothschildandco.com](mailto:clientserviceteam@rothschildandco.com)



## II – Service Providers and Agents

### ➤ **Management Company:**

Rothschild & Co Asset Management Europe, portfolio management company approved by the French financial markets authority (AMF) on 6 June 2017 under number GP-17000014 (below, the “Management Company”).  
Limited partnership - 29, avenue de Messine - 75008 Paris

### ➤ **Depository, Custodian, and Transfer agent/Registrar in charge of the issuing account and share registrar (the UCITS’s liabilities):**

CACEIS Bank

1-3, Place Valhubert

75206 Paris Cedex 13, France

A French credit institution approved by the ACPR (French prudential supervisory and resolution authority).

The depository’s functions include the safekeeping of the assets, verification of the legality of the management company’s decisions, and monitoring of the SICAV’s cash flows, as defined by the applicable Regulations.

The depository is also responsible for managing the liabilities of the SICAV, which includes centralising its share subscription and redemption orders as well as managing the issue account and share registers of the SICAV.

The depository is independent of the management company.

CACEIS Bank’s delegates

The description of the delegated safekeeping functions, the list of CACEIS Bank’s delegates and sub-delegates, and information regarding conflicts of interest that may result from these delegations are available on the CACEIS website: [www.caceis.com](http://www.caceis.com).

Updated information is available to investors on request.

### ➤ **Statutory Auditors:**

Primary: APLITEC - 4-14 rue Ferrus – "Les Patios Saint Jacques" – 75014 PARIS – B DECHANCE / JP LARROZE

Alternate: G. LEPLÉ – 44 Quai de Jemmapes – 75010 PARIS

### ➤ **Marketing agent:**

Rothschild & Co Asset Management Europe

Investors should be aware that not all of the marketing agents for the SICAV are necessarily contracted by the Management Company and that the Management Company is unable to establish an exhaustive list of the marketing agents because this list changes on an ongoing basis.

### ➤ **Delegates:**

Financial management has been sub-delegated to:

QUAERO CAPITAL LLP - 2-4 King Street, London SW1Y 6QL, United Kingdom  
Services Association (FSA)

A UK company approved by the Financial

### ➤ **Accounting subdelegate (delegated by Rothschild & Co Asset Management Europe):**

CACEIS FUND ADMINISTRATION

Registered office: 1-3 place Valhubert – 75013 Paris

### ➤ **Adviser:**

ATLANTIS INVESTMENT RESEARCH CORPORATION.

Hamamatsu-cho Square Studio 1805

1-30-5, Hamamatsu-cho, Minato-ku, Tokyo 105-0013

ATLANTIS INVESTMENT RESEARCH CORPORATION will provide QUAERO CAPITAL LLP, the sub-delegate, with its research and daily advice on Japanese companies and market conditions generally and/or on particular regions.

### ➤ **Board of Directors:**

The names and functions of the Chairman and the members of the board of directors are available in the annual report of the SICAV.



### III – Operations and procedures

#### III-1 General characteristics:

➤ **ISIN code:**

C EUR share: FR0000011355

I EUR share: FR0013329976

C JPY share: FR0013381142

I JPY share: FR0013381159

MF JPY share: FR0013381175

➤ **Characteristics of the units or shares:**

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the SICAV's assets. Each shareholder is entitled to ownership of the SICAV's assets in proportion to the number of shares held.

Liabilities management:

Liabilities are managed by CACEIS Bank. Admission of the shares is done in Euroclear France.

Voting rights: each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.

Form of the shares: Bearer

Fractional shares: The shares are broken down into thousandths of shares.

➤ **Closing of the financial year:** Last trading day of September.

➤ **Taxation:**

The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another class is regarded as a disposal, and any capital gains realised at that time will generally be regarded as taxable.

#### III-2 Special provisions

➤ **Classification:** International equities. The SICAV is at least 90% exposed to the international equities market.

➤ **Management objective:**

The objective of the SICAV is to look for opportunities presented by the Japanese market, among small, mid, and large cap stocks.

➤ **Benchmark:**

The SICAV has no benchmark strictly speaking. It may invest in companies of all sizes (small, mid, large cap). Investors must thus compare the behaviour of Essor Japan Opportunities with that of the three main indices representative of the Japanese market (Topix Total Return Index JPY, Tokyo Stock Exchange Second Section TOPIX, and Nikkei JASDAQ).

The Topix Total Return Index JPY (Topix) is an equity index calculated and published by the Tokyo Stock Exchange. The index is composed of all Japanese equities listed on the First Section of the Tokyo Stock Exchange. This index is calculated in JPY with gross dividends reinvested.

The Tokyo Stock Exchange Second Section TOPIX (TSE2) index is an equity index calculated and published by the Tokyo Stock Exchange. This index denominated in JPY is composed of all Japanese shares listed on the Second Section of the Tokyo Stock Exchange.

The Nikkei JASDAQ Index is an equity index calculated and published by the Nikkei.

They are available on the website [www.bloomberg.com](http://www.bloomberg.com): TPXDDVD Index code for the Topix, TPXDTSE2 Index for the TSE2, and NKYJQ Index for the Nikkei JASDAQ.

The performance of these benchmarks includes dividends distributed by their component equities.

As at the date of the last update of this prospectus, the administrators of the three benchmark indices above are not yet entered on the register of administrators and benchmark indices maintained by the European Securities and Markets Authority (ESMA).



In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company has a procedure for monitoring the benchmarks used describing the measures to be implemented in the event of substantial changes to an index or if that index ceases to be provided.

The UCI is managed actively and in a discretionary manner. The UCI is not managed against a benchmark index.

➤ **Investment strategy:**

*a) Description of strategies used:*

Between 90% and 100% of the portfolio will be exposed to the markets of equities of Japanese companies of all capitalisations. Shares are selected on the basis of analyses and fundamental financial ratios, such as the company's activity and prospects, the strength of its balance sheet, its profit forecasts, the quality of its management teams, and the market valuation ratios. The manager applies bottom-up active management, not indexed to a benchmark index, relying largely on direct contact with companies.

Foreign exchange risk exists at all times for investors belonging to the eurozone and may reach up to a maximum of 100% of the portfolio.

*b) Description of the classes of assets (excluding embedded derivatives) and financial contracts used:*

- *Equities:* 90-100% of net assets.

The exposure to Japanese equities is between 90% and 100% of the SICAV's assets. The choices are made among Japanese listed companies of all sizes: small, mid, and large cap.

- *Bonds and/or negotiable debt securities:* 0-10% of net assets.

Investments shall relate only to risk-free fixed-income products denominated in Japanese yen, with the idea of either mitigating a decline in equity markets or waiting until equity investment opportunities arise. Investments through debt securities, denominated in Japanese yen, in the medium or long term (diversification), shall be chosen from among government debts of Japan. All forms of securities are permitted: fixed-income, variable-income, or mixed, low-coupon or zero-coupon, and any other form of securities of all credit qualities. The financial sub-delegate does not exclusively or automatically use credit ratings issued by rating agencies but undertakes its own in-depth analysis to assess the credit quality of fixed-rate instruments.

The financial sub-delegate has specific credit analysis tools for investment purposes. It has put in place an in-depth credit risk analysis as well as the procedures necessary to take its decisions when purchasing or in case of an event likely to alter an issuer's risk/return profile in order to decide to sell or hold its securities.

Decisions are taken independently by each manager/analyst. In addition, the financial sub-delegate may use external analysis sources: independent consulting companies or specialised credit analysis firms. Their conclusions can corroborate or qualify those of the company's managers/analysts.

However, reference to an issuer's rating by one of the major rating agencies may be used by the management company to inform its clients solely for simplification purposes. It is by no means a decision-making criterion.

- *Units or shares of UCITS or AIFs:* 0-10% of net assets.

For cash management purposes, the UCITS may invest up to 10% of its assets in units or shares of French or European UCITS unable to invest more than 10% of their assets in units or shares of other UCIs or investment funds, and/or in units or shares of French or European AIFs, provided that they meet the four criteria of Article R.214-13 of the French monetary and financial code.

Note : The UCITS may particularly invest its assets in managed UCITS or AIF (directly or by delegation) or advised by the Rothschild & Co. Group.

- *Use of derivatives:* None
- *Securities with embedded derivatives:* None
- *Deposits:* None
- *Cash loans:*

Within a limit of 10% of its assets, the UCITS may resort to loans, particularly in order to compensate for deferred payment methods for asset movements.



- *Securities financing transactions:* None

➤ **Risk profile:**

Your money shall be invested primarily in financial instruments selected by the manager. These instruments will be subject to market fluctuations and uncertainties.

- *Market risk*

The main risk to which investors are exposed is market risk, given that up to 100% of the sub-fund may be exposed to one or more equity markets.

The sub-fund may experience:

- a. a risk associated with investments in and/or exposure to equities,
- b. a risk associated with investments in small-cap companies,

Investors should be aware that small-cap markets are intended to accommodate businesses that, because of their specific characteristics, may present risks for investments.

- c. liquidity risk associated with investments in small-cap companies.

Any downturn in the equity market may thus result in a reduction in the sub-fund's net asset value.

- *Risk of capital loss:*

There is a risk of capital loss, as the SICAV does not incorporate any capital guarantee.

- *Currency risk:*

Shareholders may have a maximum currency risk exposure of 100 %. Some of the assets are expressed in a currency other than the sub-fund's accounting currency. Changes in exchange rates may therefore cause the sub-fund's net asset value to decline.

➤ **Guarantee or protection:**

None. Neither the capital nor a performance level is guaranteed.

➤ **Eligible subscribers and typical investor profile:**

*Subscribers concerned:*

All subscribers

*Typical profile:*

The UCITS is intended for a type of investor who is sensitive to equity market trends and therefore accepts an irregular price fluctuation on the part of the UCITS and greater volatility due to the investment in small-cap stocks.

The amount that can be reasonably invested in this UCITS depends on each investor's personal situation. To determine this amount, investors must consider their personal wealth, their current needs, and the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment. In any case, investors are strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of the UCITS.

*Recommended investment period:* more than 5 years.

➤ **Determination and allocation of income:**

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the SICAV's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

- 1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;
- 2) Realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not distributed or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be accumulated and/or paid out and/or retained independently of each other, in whole or in part, according to the procedures described below.

- C EUR/C JPY shares: accumulation
- I EUR, I JPY shares: accumulation
- MF JPY share: income



➤ **Characteristics of the units or shares:**

Share name	ISIN code	Target subscribers	Allocation of amounts available for distribution	Currency of issue	Initial value of the share	Minimum initial subscription*	Minimum subsequent subscription
C EUR	FR0000011355	All subscribers	Accumulation	Euro	€1,000	1 share	1 thousandth of a share
C JPY	FR0013381142	All subscribers	Accumulation	JPY	JPY 100,000	1 share	1 thousandth of a share
I EUR	FR0013329976	All subscribers but specifically intended for institutional investors	Accumulation	Euro	€100,000	€ 1,000,000	1 thousandth of a share
I JPY	FR0013381159	All subscribers but specifically intended for institutional investors	Accumulation	JPY	JPY 10,000,000	JPY 130,000,000	1 thousandth of a share
MF JPY	FR0013381175	Share reserved for feeder UCIs of the Rothschild & Co Group	Income	JPY	JPY 100,000	JPY 650,000	1 thousandth of a share

\* Subsequent subscriptions may be done in thousandths of a share or fractions of shares, where applicable. The management company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

➤ **Subscriptions and redemptions:**

Subscription and redemption requests are centralised each day at eleven-thirty a.m. (11:30) at CACEIS Bank and executed on the basis of the net asset value of the second following business day (D) (unknown price). Settlements relating to subscriptions and redemptions occur on the second business day following (D+2).

D-2 business days	D-2 business days	D: day of NAV calculation	D+1 business day	D+2 business days	D+2 business days
Centralisation of subscription orders before 11:30 a.m. <sup>1</sup>	Centralisation of redemption orders before 11:30 a.m. <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

**Receipt of subscriptions and redemptions:** CACEIS Bank– 1-3, place Valhubert 75206 Paris Cedex 13

**Determination of net asset value:** The net asset value is calculated on each trading day of the Paris stock exchange, except for French public holidays and days on which the Japanese stock exchange is closed.



➤ **Charges and fees:**

Subscription and redemption fees:

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or decrease the redemption price received. The fees retained by the UCITS are used to offset the costs incurred by the UCITS in investing or divesting the entrusted assets. Those not so accruing are paid to the management company, the marketing agent, etc.

<b>Fees charged to the investor, deducted at the time of subscriptions and redemptions</b>	<b>Base</b>	<b>Rate</b>
Subscription fee not retained by the UCITS	Net asset value * Number of shares	C EUR, C JPY shares, I EUR, I JPY, MF JPY: Maximum 2.50 %
Subscription fee retained by the UCITS	Net asset value * Number of shares	None
Redemption fee not retained by the UCITS	Net asset value * Number of shares	None
Redemption fee retained by the UCITS	Net asset value * Number of shares	None

In the event of redemption followed by subscription, on the same day, on the same share class, and for the same amount on the basis of the same net asset value, no subscription and/or redemption fees shall be charged.

Operating and management fees:

These charges cover all costs charged directly to the UCITS, with the exception of transaction costs. Transaction charges include intermediation charges (brokerage, etc.) and the transaction fee, where applicable, which may be collected particularly by the depositary and the management company.

The following may be added to the operating and management fees:

- performance fees. These reward the management company for achieving performance in excess of the UCITS objectives. They are therefore charged to the UCITS;
- transaction fees charged to the UCITS. For more information on the fees actually charged to the UCITS, refer to the Key Investor Information Document (KIID).

<b>Fees charged to the UCITS</b>	<b>Base</b>	<b>Rate</b>
Financial management and administrative charges external to the management company	Net assets excluding units or shares of UCIs managed by Rothschild & Co Asset Management Europe	C EUR,C JPY shares: Maximum 1.65%, all taxes included I EUR,I JPY shares: 1.30%, all taxes included Maximum MF JPY share: Maximum 0.95 %, all taxes included
Maximum indirect charges (management fees and charges)	Net assets	None
Transaction fees	Deduction from each transaction	None
Performance fee	Net assets	None

Research fees within the meaning of Article 314-21 of the AMF General Regulation can be charged to the UCITS.

For any additional information, please refer to the SICAV's annual report.

#### **IV – Commercial information**

Modifications requiring a special notification to shareholders shall be disseminated to each identified shareholder or through Euroclear France for unidentified shareholders in the form of an information notice.

Modifications not requiring a special notification to shareholders shall be communicated either in the SICAV's interim documents,



available from the Depositary, through the press, through the Management Company's website ([www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)), or by any other means in accordance with the regulations of the French financial markets authority (AMF).

The redemption or repayment of shares is done with CACEIS Bank.

Information on how social, environmental, and governance criteria are taken into account in the investment policy is available on the Management Company's website at [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com) and in the SICAV's annual report.

The portfolio's composition may be sent to professional investors subject to supervision of the ACPR, the AMF, or equivalent European authorities, or to their service providers, with a confidentiality commitment, in order to meet their regulatory requirements related to Directive 2009/138/EC (Solvency 2).

It will be sent in accordance with the provisions defined by the AMF with a period of no less than 48 hours after publication of the net asset value.

For any additional information, shareholders may contact the Management Company.

## **V – US investor information**

The shares of this SICAV are not and will not be registered in the United States pursuant to the US Securities Act of 1933 as amended ("Securities Act of 1933") or admitted under any law of the United States. These shares may not be offered, sold, or transferred in or to the United States (including its territories and possessions) or benefit, directly or indirectly, any US Person (within the meaning of Regulation S of the Securities Act of 1933) or equivalent (as referred to in the US "HIRE" Act of 18 March 2010 and in the FATCA framework). As a foreign financial institution, the SICAV undertakes to comply with FATCA and to take any measure within the scope of the aforementioned intergovernmental agreement.

## **VI – Investment rules**

This SICAV shall comply with the regulatory ratios applicable to UCITS funds investing less than 10% in UCITS.

## **VII – Overall risk**

Overall risk associated with financial contracts is calculated using the commitment method.

## **VIII – Asset valuation rules**

The undertaking has complied with the accounting rules prescribed by the regulations in force and particularly the accounting code for UCITS (CNC opinion 2003-08 of 24 June 2003).

Accounts relating to the securities portfolio are maintained by reference to the historical cost: entries (purchases or subscriptions) and exits (sales or redemptions) are recognised on the basis of the acquisition price, excluding charges. Any exit generates a capital gain or loss on disposal or redemption and possibly a redemption premium.

The UCITS values its portfolio at the present value, a value resulting from the market value or, if no market exists, from financial methods by all external means: appraised values, value adopted in case of a takeover bid or public exchange offer, significant transactions, etc.

The difference between the entry value and the present value generates a capital gain or loss that will be recorded in "portfolio valuation difference".

The management company is responsible for establishing the valuation rules.

### **➤ Asset valuation rules:**

The UCITS has adopted the euro as the reference currency.



The prices used for the valuation of securities traded on the stock exchange are the closing prices.

The prices used for the valuation of OATs (fungible government bonds) are an average of contributors.

UCIs are valued at the last known price.

Treasury bills are valued at the market price.

Negotiable debt securities with a residual life of more than three (3) months are valued at the market rate, with the exception of floating-rate or adjustable-rate negotiable debt securities not presenting any particular market sensitivity.

The simplified linearisation method is applied for negotiable debt securities with a remaining life of less than 3 months not presenting any particular market sensitivity, on the basis of the crystallised three-month rate.

The financial guarantees are valued at market price (mark-to-market) on a daily basis, in compliance with the valuation rules described above.

Interest is recognised according to the cash-basis method.

Entries into the portfolio are recognised at their acquisition price, excluding costs.

➤ **Accounting method:**

Accounting method for recording income from fixed-income securities:

Income from bonds, equity securities, government securities, and receivables of any nature held by the fund is considered income collected between the date of acquisition or the previous close and the balance sheet date. It is recorded in distributable income on the basis of coupons received.

Method for recording securities acquisition expenses:

Acquisition expenses are charged to the UCITS trading expenses.

Calculation of management fees:

- Management fees are charged to the UCITS income statement during the calculation of each net asset value.
- Management fees cover expenses related to financial management, administrative and accounting management, safekeeping of assets, distribution of assets, and depositary controls.
- Management fees are calculated on the basis of net assets minus units of UCI managed by the management company.

## **IX – Remuneration**

In compliance with Directive 2009/65/EC, Rothschild & Co Asset Management Europe, as the delegated financial manager of the SICAV, has drawn up and applies remuneration policies and practices compatible with sound and efficient risk management and that do not encourage risk taking incompatible with the SICAV's risk profiles and regulatory documents and that do not harm the obligation to act in the best of its interests.

The remuneration policy complies with the economic strategy, objectives, values and interests of the SICAV and investors and includes measures aimed at avoiding conflicts of interest.

In addition, as management company for alternative investment funds and UCITS, Rothschild & Co Asset Management Europe also applies AIFM and UCITS directives.

The Regulated Population in terms of the AIFM and UCITS directives includes the following functions:

- General Management (excluding Partner Managers)
- Managers of AIF or UCITS
- Development and Marketing managers
- Internal Control Compliance Director
- Risk functions (operating, market, etc.)
- Administrative managers



- Any other employee that has a significant impact on the company's risk profile or the AIF/UCITS managed and whose overall remuneration is situated in the same remuneration tranche as other risk takers.

The remuneration policies and practices of Rothschild & Co Asset Management Europe apply to all staff members, with specific rules on deferred variable remuneration applicable to the Regulated Population, in line with the AIFM and UCITS regulations.

Details concerning the Rothschild & Co Asset Management Europe remuneration policy are available at [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

A printed version of the Rothschild & Co Asset Management Europe remuneration policy can be made available free of charge to investors in the SICAV on request at the registered office of the SICAV.



## **SICAV ESSOR JAPAN OPPORTUNITIES**

**Open-ended investment fund (SICAV)  
Registered Office: 29 avenue de Messine -**

**75008 Paris**

**Paris trade and companies register no.: 440  
818 599**

### **ARTICLES OF ASSOCIATION**

#### **TITLE 1**

##### **FORM, PURPOSE, NAME, REGISTERED OFFICE, AND DURATION OF THE COMPANY**

###### **Article 1 – Form**

The holders of shares hereinafter created and shares subsequently created hereby form an open-ended investment fund (SICAV) governed particularly by the provisions of the French commercial code relating to public limited companies (Book II - Title II - Chapter V), the French monetary and financial code (Book II - Title I - Chapter IV - Section I - Sub-section I), their implementing texts, subsequent texts, and by these articles of association.

###### **Article 2 – Purpose**

The purpose of this company is to establish and manage a portfolio of financial instruments and deposits.

###### **Article 3 - Name**

The Company's name is: **ESSOR JAPAN OPPORTUNITIES**

followed by the indication "Société d'Investissement à Capital Variable" [open-ended investment fund], accompanied by the term "SICAV" or not.

###### **Article 4 – Registered office**

The registered office is located in Paris (75008) at 29, avenue de Messine.

###### **Article 5 - Duration**

The duration of the company is 99 years from the date of its entry in the Trade and Companies Register, except in cases of early dissolution or extension provided for in these articles of association.

#### **TITLE 2**

##### **CAPITAL, VARIATIONS OF CAPITAL, AND CHARACTERISTICS OF THE SHARES**

###### **Article 6 – Share capital**

The initial capital is 8,000,000 euros divided into 8,000 fully paid-up shares of the same class. It was constituted by 8.000.000 euros in cash.

Share classes:

The characteristics of the various share classes and their access conditions are set out in the SICAV's prospectus. The different share classes may:

- Have different arrangements for distributing income (paid out or accumulated);
- Be denominated in different currencies;
- Incur different management fees;
- Incur different subscription and redemption fees;
- Have different nominal values;
- Be systematically hedged against risk, either partially or in full, as set out in the prospectus. This hedging process is performed using financial instruments that reduce the impact of hedging transactions on other share classes of the UCITS to a minimum;
- Be reserved for one or more distribution networks.

Shares may be subdivided on decision of the board of directors into tenths, hundredths, thousandths, or ten-thousandths, referred to



as fractional shares.

The provisions of the articles of association governing the issue and redemption of shares shall also apply to fractional shares, whose value shall always be proportionate to that of the share that they represent. Unless otherwise stated, all other provisions of the articles of association relating to units shall apply to fractional shares without any need to make a specific provision.

#### **Article 7 – Variations of capital**

The amount of the capital is likely to change, resulting from the company's issue of new shares and decreases following the redemption of shares by the company for shareholders who so request.

#### **Article 8 - Issues and redemptions of shares**

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

Redemptions and subscriptions are performed under the conditions and according to the procedures specified in the prospectus.

Redemptions can be made in cash and/or in kind. If the redemption in kind corresponds to a representative share of assets in the portfolio, then only the written signed agreement of the shareholder must be obtained by the UCITS or the management company. If the redemption in kind does not correspond to a representative share of assets in the portfolio, all shareholders must give their written approval authorising the redemption of the outgoing shareholder's shares against certain specific assets, as defined explicitly in the agreement.

In derogation from the above, when the fund is an ETF, redemptions on the primary market can, with the agreement of the portfolio's management company and in respect of the interests of shareholders, be made in kind according to the conditions defined in the prospectus or the fund's rules. The assets will then be delivered by the issuer account holder under the conditions defined in the SICAV's prospectus.

In general, the assets redeemed are valued according to the rules set out in Article 9, and the redemption in kind takes effect based on the first net asset valuation following the acceptance of the securities concerned.

Any subscription of new shares must be fully paid up. Otherwise, the subscription shall be nullified. Issued shares shall have the same rights as the shares existing on the day of the issue.

Pursuant to Article L. 214-7-4 of the French financial and monetary code, the redemption of its shares by the company, as for the issue of new shares, may be suspended on a temporary basis by the board of directors or executive board when the circumstances so require and if the interests of the shareholders so dictate.

If the net assets of the SICAV (or, where applicable, a sub-fund) fall below the minimum regulatory requirement, no redemption of shares may be done.

Units may be subject to minimum subscription conditions, pursuant to the terms specified in the prospectus.

The UCITS may cease to issue shares pursuant to the third paragraph of Article L. 214-7-4 of the French monetary and financial code, provisionally or definitively, in part or in full, in situations that objectively require the closure of subscriptions, such as when the maximum number of shares has been issued, a maximum amount of assets has been reached, or a specific subscription period has expired. The triggering of this tool will be the object of information by any means to existing shareholders relative to its activation as well as to the threshold and the objective situation having led to the partial or full closure decision. In the event of a part closure, this information by all means will explicitly point out the terms under which existing shareholders can continue to subscribe throughout the duration of this partial closure. Shareholders are also informed by all means of the decision by the UCITS or the management company either to end the full or part closure of subscriptions (after a fall below the trigger threshold) or not to end it (if the threshold is changed or the objective situation that led to the tool being implemented changes). A change in the objective situation invoked or in the trigger threshold for the tool should always be undertaken in the interests of shareholders.

The information by all means points out the exact reasons for these changes.

#### **Article 9 – Calculation of net asset value**

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

In addition, an indicative instantaneous net asset value shall be calculated by the investment firm in case of admission to trading.

Contributions in kind may only consist of the securities, instruments, or contracts eligible to form part of the UCITS's assets; Contributions and redemptions in kind are valued in accordance with the valuation rules applicable to the calculation of the net asset value.

#### **Article 10 - Form of shares**

The shares may be in bearer form or registered form, at the choice of the subscribers.

Pursuant to Article L. 211-4 of the French monetary and financial code and Decree no. 83-359 of 2 May 1983 on the scheme for securities, the securities must be recorded in accounts, kept by the issuer or an authorised intermediary, depending on the case.

The rights of holders shall be represented by an entry in an account in their name:

- with the intermediary of their choice for bearer securities;



- with the issuer and, if they wish, with the intermediary of their choice for registered securities.

#### **Article 11 - Admission to trading on a regulated market and/or a multilateral trading facility**

Shares may be listed for trading on a regulated market and/or a multilateral trading facility in compliance with applicable regulations. In the event that the SICAV whose shares are admitted to trading on a regulated market has an investment objective based on an index, it must have put in place a mechanism to ensure that the price of its share does not deviate significantly from its net asset value.

#### **Article 12 – Rights and obligations attached to shares**

Each share entitles the holder to ownership of the corporate assets and an interest in the profits proportional to the fraction of the capital that it represents.

The rights and obligations attached to the share shall follow the security in any change of ownership.

#### **Article 13 – Indivisibility of shares**

All joint holders of a share or the beneficiaries are required to be represented with the company by a single person appointed mutually by them or, failing that, by the president of the commercial court with jurisdiction over the location of the registered office.

### **TITLE 3**

#### **ADMINISTRATION AND MANAGEMENT OF THE COMPANY**

#### **Article 14 - Administration**

The company shall be administered by a board of directors of no fewer than three and no more than eighteen members, appointed by the general meeting.

During the life of the company, the directors shall be appointed or renewed in their functions by the ordinary general meeting of shareholders.

Directors may be natural persons or legal entities. Upon their appointment, such legal entities must appoint a permanent representative who shall be subject to the same conditions and obligations and who shall incur the same civil and criminal liabilities as if he or she were a member of the board of directors in his or her own name, without prejudice to the liability of the legal entity represented.

This mandate as permanent representative is given to him or her for the duration of the mandate of the legal entity represented. If the legal entity revokes the mandate of its representative, it shall be required to notify the SICAV immediately by registered letter of this revocation as well as the identity of its new permanent representative. The same is true in case of death, resignation, or extended incapacity of the permanent representative.

#### **Article 15 – Term of office of directors – Renewal of the Board**

Subject to the provisions of the last paragraph of this article, the duration of the functions of the directors is three years for the initial directors and six years at most for subsequent directors, each year referring to the interval between two consecutive annual general meetings.

If one or more director seats become vacant between two general meetings, as a result of death or resignation, the board of directors may make temporary appointments.

The director temporarily appointed by the Board to replace another shall remain in office only for the remaining time of the term of his/her predecessor. His or her appointment shall be subject to ratification by the next general meeting. Any outgoing director may be re-elected. They may be dismissed at any time by the ordinary general meeting.

The functions of each member of the board of directors shall end at the conclusion of the ordinary general meeting of shareholders having ruled on the accounts of the preceding financial year and held in the year in which his or her term expires, with the understanding that, if the meeting is not held during this year, said functions of the member in question shall end on 31 December of the same year, all subject to the exceptions below.

Any director may be appointed for a period of less than six years when this is necessary in order to ensure that the renewal of the board remains as regular as possible and complete in each period of six years. This shall be the case particularly if the number of directors is increased or decreased and the lawfulness of the renewal is affected.

When the number of members of the board of directors falls below the statutory minimum, the remaining member(s) must immediately convene the ordinary general meeting of shareholders in order to make appointments to ensure that the board has an appropriate number of members.

In the event of resignation or death of a director and when the number of directors remaining in office is greater than or equal to the minimum required by the articles of association, the board may, on a provisional basis and for the remainder of the term, provide for his or her replacement.

#### **Article 16 – Executive Committee**

The Board shall elect from among its members, for the duration that it determines but not exceeding the duration of the director's term, a chairman who must be a natural person.



The chairman of the board of directors shall represent the board of directors. The chairman shall organise and direct the work of the board and report to the general meeting on such work. The chairman shall ensure that the bodies of the company function properly and, in particular, that the directors are able to fulfil their duties.

If the chairman deems it useful, he or she may also appoint a vice-chairman and may also choose a secretary, even from outside of the board of directors.

In case of temporary incapacity or death of the chairman, the board of directors may appoint a director to the functions of chairman.

In case of temporary incapacity, this appointment shall be given for a limited duration; it shall be renewable. In case of death, this appointment shall be valid until the election of the new chairman.

#### **Article 17 – Meetings and deliberations of the Board**

Meetings of the board of directors shall be called by its chairman as often as required by the company's interests, either at the registered office or at any other location indicated in the notice of meeting.

If the board has not met for more than two months, at least one third of its members may ask the chairman to convene a meeting for a specific agenda. The managing director may also ask the chairman to convene the board of directors on a specific agenda. The chairman shall be bound by these requests.

Meetings may be called by any means.

The presence of at least half of the members shall be required for valid deliberations. Decisions shall be taken by a majority of the members present or represented. Each director shall have one vote. In the event of a tie vote, the Chairman of the meeting shall have the casting vote.

#### **Article 18 – Minutes**

Minutes shall be kept, and copies or extracts of the deliberations shall be issued and certified in accordance with the law.

#### **Article 19 - Authority of the Board of Directors**

The Board of Directors shall set the company's business strategy and oversee its implementation. Within the limit of the corporate purpose and subject to the powers expressly conferred to shareholders' meetings by law, it shall consider any matter involving the proper operation of the company and rule on matters that concern it through its deliberations.

The board of directors shall carry out the checks and verifications that it deems appropriate.

The Company's chairman or managing director shall be required to communicate all documents and information necessary to each board member for carrying out his/her duties.

#### **Article 20 - General Management - Non-Voting Board Members**

The company's general management shall be assumed, under its responsibility, either by the chairman of the board of directors or by another natural person appointed by the board of directors and bearing the title of managing director.

The choice between the two methods of general management shall be made under the conditions established in these articles of association by the board of directors for a term ending upon the expiry of the functions of chairman of the board of directors in office. Shareholders and third parties shall be informed of this choice pursuant to the legal and regulatory provisions in force.

Depending on the choice made by the board of directors in accordance with the provisions set out hereinabove, the chairman or a managing director shall ensure the general management.

If the board of directors chooses to separate the functions of chairman and managing director, it shall appoint the managing director and set the duration of his or her term of office.

If the Company's general management is handled by the chairman of the board of directors, the following provisions relating to the managing director shall be applicable to him/her.

Subject to the powers that the law expressly allocates to shareholders' meetings as well as the powers that it reserves specially for the board of directors, and within the limit of the corporate purpose, the managing director shall be vested with the broadest powers to act in the name of the company in all circumstances. The managing director's powers shall be exercised within the limits of the corporate purpose and subject to those that the law expressly grants to shareholders' meetings and the board of directors.

He/she shall represent the Company in its relations with third parties.

The managing director may grant all partial delegations of his or her powers to any person of his or her choice.

The managing director may be dismissed at any time by the board of directors.

Upon the recommendation of the managing director, the board of directors may appoint up to five natural persons to assist the managing director, who shall have the title of deputy managing director.

The deputy managing directors may be dismissed at any time by the board on the proposal of the managing director.

In agreement with the managing director, the board of directors shall determine the extent and duration of the powers delegated to the deputy managing directors.

These powers may include the ability to make partial delegations. In the event of cessation of functions or incapacity of the managing director, they shall maintain their functions and powers until the appointment of the new managing director, unless the board decides otherwise.



The deputy managing directors shall have the same powers as the managing director as regards third parties.

Regardless of the duration for which they have been entrusted to them, the duties of the Chairman and the Managing Directors shall automatically end following the first ordinary general meeting held after the date on which they reach 70 years of age. The board of directors may establish committees responsible for conducting studies.

**Article 21 - Allocations and remuneration of the Board (or non-voting Board members)**

The Board members and the chairman shall not be paid, unless otherwise decided by the board of directors.

**Article 22 - Depositary**

The depositary shall be appointed by the board of directors.

The depositary shall perform the duties for which it is responsible in accordance with the legal and regulatory provisions in force and those contractually entrusted to it by the SICAV or the management company. It must, in particular, ensure that the management company's decisions are lawful. Where applicable, the depositary must take any protective measures that it deems useful. It shall inform the French regulator, *Autorité des Marchés Financiers* (AMF), in the event of a dispute with the management company.

**Article 23 – Prospectus**

The board of directors, or the management company if the SICAV has delegated its overall management, shall have all powers to possibly make all changes to ensure the proper management of the company, all within the framework of the legal and regulatory provisions specific to SICAVs.

## TITLE 4 STATUTORY AUDITOR

**Article 24 – Appointment – Powers – Remuneration**

The statutory auditor shall be appointed for six financial years by the board of directors after approval by the AMF from amongst persons authorised to carry out this function for commercial companies.

The statutory auditor shall certify that the accounts are true and fair. The statutory auditor may be reappointed to office.

The statutory auditor is required to inform the AMF as soon as possible of any fact or decision concerning the undertaking for collective investment in transferable securities of which the auditor has become aware in the course of its assignment, of a nature to:

- 1° Constitute an infringement of applicable laws or regulations and which may have a significant effect on the financial situation, earnings, or assets of this undertaking for collective investment;
- 2° Adversely affect the conditions or the continuity of its operations;
- 3° Result in the statutory auditor expressing a qualified opinion or refusing to certify the accounts.

Asset valuations and the determination of the exchange rate used in currency conversions, mergers, or spin-offs shall be audited by the statutory auditor.

The statutory auditor assesses all contributions or redemptions in kind under its responsibility, except under the framework of redemptions in kind for an ETF on the primary market.

The Statutory Auditor shall certify the composition of the assets and other information before it is reported.

The statutory auditor's fees shall be set by mutual agreement between the statutory auditor and the SICAV's board of directors or executive board on the basis of a work schedule specifying the procedures deemed to be necessary.

The statutory auditor shall certify the circumstances underlying any interim distributions.

An alternative statutory auditor shall be appointed to replace the primary statutory auditor in case of incapacity, refusal, resignation, or death.



## TITLE 5 GENERAL MEETINGS

### **Article 25 – General meetings**

General meetings shall be convened and shall deliberate under the conditions provided for by law.

The annual general meeting, which must approve the company's accounts, must be convened within four months of the close of the financial year.

General meetings shall be held at the corporate registered office or at any other location defined in the notice convening the meeting. Any shareholder may participate, personally or through a proxy, in the general meetings subject to proof of identity and ownership of shares, in the form of either an entry in the registered security accounts maintained by the company or an entry in the bearer security accounts, at the locations mentioned in the notice of meeting; these formalities must be completed two days before the date of the general meeting.

A shareholder may be represented in accordance with the provisions of Article L.225-106 of the French commercial code. A shareholder may also vote by correspondence under the conditions provided for by the regulations in force.

General meetings shall be chaired by the chairman of the board of directors or, in his or her absence, by a vice-chairman or by a director appointed for this purpose by the board. Failing this, the general meeting itself shall elect its chairman.

Minutes of the general meeting shall be prepared, and their copies shall be certified and issued in accordance with the law.

## TITLE 6 ANNUAL FINANCIAL STATEMENTS

### **Article 26 – Financial year**

The financial year shall begin on the day after the last trading day in Paris in September and end on the last trading day in Paris of the same month of the following year.

However, as an exception, the first financial year shall include all transactions carried out since the company's creation date until the last trading day in Paris of the month of September 2002.

### **Article 27 - Allocation of distributable amounts**

The Board of Directors determines the net income for the period.

The net income for the period is equal to the amount of interest, arrears, premiums and prizes, dividends, attendance fees, and any other income related to the securities comprising the portfolio, plus the income from any amounts temporarily available and minus management fees and borrowing costs.

Amounts available for distribution consist of the following:

1° Net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;

2° Capital gains realised, net of costs, minus capital losses realised, net of costs recorded during the period, plus net capital gains of the same type recorded during earlier periods that were not the subject of any distribution and capitalisation and minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1° and 2° above may be distributed independently of each other, in whole or in part.

Distributable amounts shall be fully accumulated, with the exception of those amounts subject to compulsory distribution by law.

The terms of distribution are set out in the SICAV's prospectus.

## TITLE 7 EXTENSION - DISSOLUTION - LIQUIDATION

### **Article 28 – Extension or early dissolution**

At any time and for any reason whatsoever, the board of directors may propose the extension, early dissolution, or liquidation of the SICAV to an extraordinary general meeting.

The issue of new shares and the buyback of shares by the SICAV from shareholders who so request shall cease on the day of the publication of the notice of the general meeting at which the dissolution and liquidation of the company are proposed or at the expiry of the duration of the company.

### **Article 29 – Liquidation**

The liquidation methods shall be established according to the provisions of Article L214-12 of the French monetary and financial code.



## **TITLE 8 DISPUTES**

### **Article 30 - Jurisdiction - Election of Domicile**

All disputes arising during the life of the company or its liquidation, either between the shareholders and the company or between the shareholders themselves, regarding corporate affairs shall be heard and decided in accordance with the law and shall be subject to the jurisdiction of the competent courts.

Articles of association updated by the Extraordinary General Meeting of 10 February 2020



# R-co Profilo BPA Selection

Mutual Fund (*Fonds Commun de Placement*)

## Prospectus

Updated on 08 February 2019



# R-CO PROFILO BPA SELECTION

## I. General characteristics

### I. 1. FORM OF THE UCITS:

<b>Name</b>	:	R-co Profilo BPA Selection
<b>Legal form</b>	:	Mutual Fund ( <i>Fonds Commun de Placement</i> ) governed by French law
<b>AMF approval date</b>	:	16 January 2018
<b>Creation date</b>	:	21 February 2018
<b>Expected life</b>	:	99 years
<b>Summary of the management proposal:</b>		

Unit class	ISIN code	Allocation of amounts available for distribution	Currency of issue	Subscribers	Minimum initial subscription amount <sup>1</sup>
C EUR	FR0013304342	accumulation	EUR	All subscribers	1 unit (initial net asset value: €100 )
EUR	FR0013304367	accumulation	EUR	Units reserved for foreign marketing networks and those acting particularly under a mandate, and subject to the Management Company's prior approval	€5,000 (Initial net asset value: €100)

<sup>1</sup> The management company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

### Indication of where the regulations and the latest annual report and periodic statement can be obtained:

The latest annual and periodic reports will be sent to unit holders within eight business days of receipt of a written request sent to:

Rothschild & Co Asset Management Europe  
Service commercial  
29, avenue de Messine  
75008 Paris

For further information, contact the sales and marketing department (*service commercial*) of the management company  
(tel: 01 40 74 42 56) or by e-mail at the following address: [clientserviceteam@rothschildandco.com](mailto:clientserviceteam@rothschildandco.com)

## II. Parties involved

### Management company:

Rothschild & Co Asset Management Europe, portfolio management company approved by the French financial markets authority (AMF) on 6 June 2017 under number GP-17000014  
Limited Partnership  
29 avenue de Messine – 75008 Paris  
Rothschild & Co Asset Management Europe

### Custodian, registrar, issue account manager, and unit registrar:

CACEIS Bank  
1-3, place Valhubert  
75206 Paris Cedex 13, France  
A French credit institution approved by the ACPR (French prudential supervisory and resolution authority)

The custodian's functions include the safekeeping of the assets, verification of the legality of the management company's decisions, and monitoring of the Fund's cash flows, as defined by the applicable Regulations.



The custodian is also responsible for managing the Fund's liabilities, which includes centralising the Fund's unit subscription and redemption orders, as well as managing the issue account and unit registers of the Fund. The custodian is independent of the management company.

**CACEIS Bank's delegates**

The description of the delegated safekeeping functions, the list of CACEIS Bank's delegates and sub-delegates, and information regarding conflicts of interest that may result from these delegations are available on the CACEIS website: [www.caceis.com](http://www.caceis.com).

Updated information is available to investors on request.

**Statutory Auditors:**

KPMG Audit  
Tour EQHO  
2, avenue Gambetta  
CS 60055  
92066 Paris La Défense Cedex  
Signatory: Pascal Lagand

**Marketing agents:**

Rothschild & Co Asset Management Europe  
Investors should be aware that the Fund's marketers are not all necessarily approved by the Management Company and that the Management Company is unable to establish the exhaustive list of the Fund's marketers because it changes continuously.

**Accounting delegate:**

CACEIS Fund Administration  
1-3, Place Valhubert  
75013 Paris

**Financial manager by delegation:**

BANCA PATRIMONI SELLA & C. SPA  
TORINO (TO)  
VIA LAGRANGE 20  
CAP 10123

BANCA PATRIMONI SELLA & C. SPA, *società per azioni*, a banking license (no. 5516) was granted to it by the *Bank of Italy* in 2002. This license allows the bank to carry out the following activities: mandate management, proprietary management, order execution, distribute its own and third party products, prepare the QOS, advise and engage in banking activity.

BANCA PATRIMONI SELLA & C. SPA will be responsible for delegating the financial management of the mutual fund segment invested in UCITS using directional strategies, in accordance with the "investment strategy" section below.

**Adviser:**

BANCA PATRIMONI SELLA & C. SPA  
TORINO (TO)  
VIA LAGRANGE 20  
CAP 10123

BANCA PATRIMONI SELLA & C. SPA will provide the management company with advice on allocating between the mutual fund segment invested in UCITS using directional strategies and the mutual fund invested in UCITS using absolute return strategies.

**Institution in charge of centralising subscription/redemption orders:**

CACEIS Bank



### **III. Management and operations**

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#### **III. 1. GENERAL CHARACTERISTICS:**

**Characteristics of the units or shares:** Accumulation mutual fund

ISIN code:

C EUR unit: FR0013304342

S EUR unit: FR0013304367

Type of right attached to the unit class: The right attached to the accumulation units is a real right, an equity security. Each unitholder is entitled to joint ownership of the mutual fund's assets in proportion to the number of units held.

Entry in a register or specification of methods of managing liabilities: Liabilities are managed by CACEIS Bank. Admission of the units is ensured in Euroclear France.

Voting rights: The mutual fund has no voting rights attached to the units; decisions are taken by the management company. Unitholders shall be informed of any modification of the mutual fund's operation, depending on the modifications made, either individually, through the press, or by any other means in accordance with the regulations of the French financial markets authority (AMF).

Form of units: Bearer

Fractional units: The Fund's units are broken down into thousandths.

**Closing date:**

Last trading day of the month of December (closing date of 1st financial year: December 2018)

**Tax treatment:**

The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each subscriber and/or the investment jurisdiction of the Fund. When in doubt, the subscriber should contact a professional adviser.

#### **III. 2. SPECIAL PROVISIONS:**

**ISIN code:**

C EUR unit: FR0013304342

S EUR unit: FR0013304367

**Delegation of financial management:** BANCA PATRIMONI SELLA & C. SPA

**Management objective:**

The investment objective of the Fund over a recommended investment period of 3 to 4 years is to achieve performance net of fees greater than 3-month EURIBOR + 2% for the C EUR units and 3-month EURIBOR + 3% for the S EUR units, with a maximum annual volatility target from 6% to 9% through discretionary UCITS management.

Potential subscribers are reminded that the objective is based on the realisation of assumptions made by the management company about market conditions and in no way constitutes a guarantee of the Fund's yield, performance, or volatility.

**Benchmark:**

- 3-month EURIBOR + 2% for C EUR units, and
- 3-month EURIBOR + 3% for S EUR units.

The 3-month EURIBOR (Euro Interbank Offered Rate) is the average interest rate at which 25/40 leading European banks make loans in euros with a 3-month maturity. It is calculated every working day at 11:00 a.m. CET and published by the European Banking Federation (EFB), (Bloomberg Code: EUR003M Index)



The mutual fund is not an index UCITS, and the aforementioned indicator does not constitute an investment constraint. The manager may therefore invest divergently from this indicator to meet the management objective.

Please note that the Euribor administrator is exempt from Article 2.2 of the benchmark regulation and as such is not entered on the register maintained by the ESMA.

In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company has a procedure for monitoring the benchmarks used describing the measures to be implemented in the event of substantial changes to an index or if that index ceases to be provided.

## **Investment strategy**

### **1. Description of strategies used:**

#### **A) Strategic allocation**

The mutual fund is invested in UCITS using absolute return strategies as part of the rigorous quantitative and qualitative selection process carried out by the management company (as described below). The minimum percentage of these UCITS held is 90% of net assets.

With a view to meeting the management objective, the mutual fund shall make the following overall allocation:

- up to 100% of net assets in UCITS implementing directional strategies, including:
  - Between 0% and 50% of the net assets in UCITS of equity products of small, mid and large caps and in all geographical zones
  - Between 0 and 100% of net assets in UCITS of interest rate and money market products, as well as UCIs whose diversified allocation allows exposure to interest rate and/or convertible products and/or equities, notably invested in securities issued by private or public issuers of all quality of signature, including so-called "high yield" speculative securities as well as unrated securities. These UCIs may also be invested in subordinated bonds, including contingent convertible bonds. The mutual fund's indirect exposure to contingent convertible bonds shall fall within a range of 0% to 20% maximum of the mutual fund's net assets.
- Up to 100% of net assets in UCITS implementing absolute return strategies:
  - "Long/Short" strategies up to 50% of net assets
  - "Arbitrage/relative" value strategies up to 30% of net assets
  - "Global Macro" strategies up to 30% of net assets
  - "Systemic" strategies up to 30% of net assets
  - "Special situations/Event Driven" strategies up to 30% of net assets

BANCA PATRIMONI SELLA & C. SPA will be responsible for delegating the financial management of the segment of the Fund invested in UCITS using directional strategies. Management of the segment invested in UCITS implementing absolute return strategies will be provided directly by the management company. The allocation between these two segments will be reviewed at least once a month and any time the management company deems this appropriate. For the allocation between these two segments, the management company shall receive recommendations from BANCA PATRIMONI SELLA & C. SPA.

The Fund may be exposed indirectly to risks related to small caps up to 50% of net assets. In addition, it may indirectly be exposed to up to 100% of its assets to non-OECD countries as well as to debt securities rated in the so-called "High Yield" speculative category. Lastly, the Fund may indirectly be exposed, via the investment in UCIs, to commodities up to a maximum of 30% of its net assets.

The allocation between asset classes will be done on a discretionary basis while striving not to exceed an average annual volatility from 6% to 9% over the recommended investment horizon.

The management company may exceptionally make reductions in its exposure to the various management strategies mentioned above in case of unfavourable anticipations on these markets in favour of money management strategies (money market UCITS) up to a maximum of 100% of net assets.

In addition, the UCITS may use financial futures traded on French and foreign regulated or over-the-counter markets (currency swaps, forward exchange, futures market) for hedging purposes, in order to pursue its management objective and as part of steering its exposure to the forex market.



The portfolio's direct and indirect OECD forex market exposure, including exposure resulting from the use of financial futures, shall not exceed 70% of net assets.

The mutual fund may invest in debt securities up to 10% of its net assets for cash management purposes.

### **B) Directional management strategies**

Depending on market opportunities, the mutual fund is invested in small, mid and large cap UCITS equity products from all geographical zones, in UCITS interest rate and money market products, as well as in UCIs whose diversified allocation facilitates being exposed to interest rate and/or convertible products and/or equities (France, Europe and other zones) invested specifically in securities issued by governments, private issuers, and all quality of signatures, including speculative securities known as "High Yield" as well as unrated securities.

### **C) Absolute return strategies**

The Fund invests in UCITS using strategies such as "Long/Short", "Arbitrage/ Relative Value", "Global Macro", "Special Situations/Event Driven" and "Systematic" in the proportions described above in the "Strategic Allocation" section.

Absolute return management is a generic definition that encompasses non-traditional management techniques. Absolute return management strategies have a common objective: search for performance uncorrelated to (or differentiated from) to that of the main markets (currencies, bonds, stocks, or commodities futures indices). To that end, most of them seek to carry out arbitrage transactions and take advantage of market inefficiencies or imperfections, for example by simultaneously taking bull positions on certain assets and bear positions on other assets, on the basis of fundamental, technical, or statistical analyses.

The Fund invests especially in UCITS using the following absolute return strategies:

- The principle characteristic of "long/short" strategies, in which the Fund may invest up to 50% of its net assets, is the simultaneous holding of (a) long positions in stocks with upside potential and (b) short positions in stocks with downside potential. The manager has the capacity to adjust the resulting net market exposure depending on projected economic scenarios.
- The aim of "arbitrage/relative value" strategies, in which the Fund may invest up to 30% of its net assets, is to exploit pricing anomalies in various asset classes. These strategies involve stocks, bonds, convertible bonds, other interest rate instruments, etc.
- "Global Macro" strategies, in which the Fund may invest up to 30% of its net assets, are based on a macroeconomic analysis of economies and markets to formulate investment themes and invest on all markets on a discretionary basis. "Global Macro" managers invest without limitation of geographical region or asset type: stocks, bonds, currencies, derivatives, etc. They seek to anticipate market changes on the basis of major macroeconomic variables and especially interest rate fluctuations. They apply opportunistic management, based on an identification and an evaluation specific to the manager. These movements can result from changes in global economies, political uncertainties, or global supply and demand with regard to physical and financial resources.
- "Systematic" strategies, in which the Fund may invest up to 30% of its net assets, are based on algorithms and automated trading (through mathematical models) aiming to exploit various market characteristics (trend, volatility, mean reversion, etc.). These strategies use mainly futures contracts on asset classes such as stocks, bonds, foreign exchange, and commodities.
- "Special Situations"/"Event-Driven" strategies, in which the Fund may invest between up to 30% of its net assets, involve taking advantage of opportunities created by major events related to a company's corporate structure, such as spin-off, merger, acquisition, bankruptcy, reorganisation, share buyback, or change within management. Arbitrage between the various parts of the company's capital is part of this strategy.

### **Selection criteria for underlying UCITS:**



The underlying directional UCITS shall be selected by Banca Patrimoni Sella & C SPA, and UCITS using absolute return strategies shall be selected by Rothschild & Co Asset Management Europe.

The Fund's portfolio is diversified and managed on an active and discretionary basis in terms of styles, geographical regions, and products. The investment management process is built around two processes determined collectively:

- Definition of the global allocation in terms of asset classes, geographical regions, and styles, based on a global macroeconomic and microeconomic analysis.
- Selection of UCITS, on the basis of a quantitative then qualitative analysis of the UCITS in the investment universe:
  - The quantitative part includes a series of filters (minimum assets under management, price history, etc.) highlighting the pre-selected UCIs as well as a battery of statistical indicators (performance and risk analyses) to identify consistency in the performance levels of UCIs in their respective category.
  - After this first analysis, an in-depth qualitative study is performed on the UCITS repeatedly offering the best performance over uniform periods. Regular meetings with the managers of the examined UCITS allow the consistency between the objectives, the resources put in place, and the results obtained by the analysed managers to be assessed.

## **2. Description of the asset classes (excluding embedded derivatives):**

All asset classes included in the composition of the assets of the Fund are:

- **Stocks:** none
- **Debt securities, Money market instruments, and Bonds:** 0-10%

Within the limit of the holding range specified below, the mutual fund shall invest in bonds, negotiable debt securities, such as short-term negotiable securities (including certificates of deposit and treasury notes issued before 31 May 2016) and Euro Commercial Paper. The private/public debt distribution is not determined in advance and shall be determined based on market opportunities. In addition, issuers must have a minimum long-term rating of A or the equivalent thereof or a minimum short-term rating of A1 or the equivalent thereof. The management company does not exclusively or automatically use credit ratings issued by rating agencies but undertakes its own in-depth analysis to assess the credit quality of fixed-rate instruments.

- **Holding of shares or units of other UCITS:** 90%-100% of net assets  
Within the holding range, the mutual fund may hold:
  - up to all of its assets in units or shares of UCITS, including French or foreign listed UCITS/ETF, which may not invest more than 10% of their assets in units or shares of other UCITS, AIF, or investment funds.

The mutual fund may invest in UCITS or be managed (directly or by delegation) or advised by the Rothschild & Co.Group.

## **3. Derivatives:**

The mutual fund may invest only one asset at a time in regulated, organised or over-the-counter markets to achieve the management objective. To do this, the mutual fund may hedge against equity, interest rate and currency risks by using the following derivative instruments: foreign exchange swaps, forward exchange rate swaps, interest rate and equity futures and forwards.

The Fund will not use Total Return Swap (TRS).

The portfolio's direct and indirect OECD forex market exposure, including exposure resulting from the use of financial futures, shall not exceed 70% of net assets.

The portfolio's consolidated exposure (via securities, UCITS, futures operations) in all markets combined, will be a maximum of 200% of net assets.

### **Information related to counterparties of Rothschild & Co Group over-the-counter derivatives:**

Counterparties, which may or may not be a credit institution, shall be selected in accordance with the procedure in force within the Rothschild & Co Group, based on the principle of selectivity as part of an ad hoc internal



process. The Management Company may regularly select the Custodian as its counterparty for OTC exchange derivatives.

In particular, this involves:

- a validation of the counterparties at the end of this internal selection process, which takes into account criteria such as the nature of the activities, expertise, reputation, etc.
- a limited number of financial institutions with which the UCITS trades.

**4. Securities with embedded derivatives: None**

**5. Deposits:**

Within a limit of 10% of its assets, the mutual fund may resort to deposits in euros with a life equal to three months so as to earn returns on the Fund's cash.

**6. Cash loans:**

Within a limit of 10% of its assets, the mutual fund may resort to loans, particularly in order to compensate for deferred payment methods for asset movements.

**7. Temporary purchases and sales of securities: None**

**Information about the financial guarantees of the UCITS:**

For transactions on OTC derivatives, the UCITS may receive securities (such as bonds or securities issued or guaranteed by a State or issued by international lending agencies and bonds or securities issued by private issuers of good quality) or cash as collateral. There is no correlation policy insofar as the UCI will receive mainly government securities of the eurozone and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility, diversified issuers that are not an entity of the counterparty or its group.

Discounts may be applied to the collateral received; they shall take into account, in particular, the credit quality and the volatility of the prices of the securities. The valuation is performed at least on a daily basis.

Financial collateral received must be able to give rise to a full execution by the UCITS at any time and without consultation or approval of the counterparty.

Financial guarantees other than in cash must not be sold, reinvested, or pledged.

Financial guarantees received in cash must only be:

- placed in deposit accounts;
- invested in high-quality government bonds;
- for the purposes of reverse repurchase transactions, provided that these transactions are concluded with credit institutions subject to prudential supervision and that the OPCVM can, at any time, recall the total amount of cash, taking into account the accrued interest;
- invested in money market UCIs.

**Risk profile:**

Investors are exposed via the Fund primarily to the following risks, especially by investment in UCIs selected by the management company. These instruments will be subject to market fluctuations and uncertainties.

1. **Risk of capital loss:** risk that the investor's initial investment may not be fully recovered, as the Fund does not offer any guarantee or protection. This risk materialises if the NAV falls. In such a case, unitholders are not ensured that they will recover the capital initially invested. This objective is based on the realisation of assumptions made by the management company about market conditions and in no way constitutes a guarantee of the Fund's yield, performance, or volatility.
2. **Risk associated with absolute return strategies:** Absolute return management employ techniques that take advantage of observed or anticipated differences in prices between markets, sectors, securities, currencies, and instruments. If the markets move against the Fund's positions (for example, if they rise for short transactions and/or fall for long transactions), the Fund's net asset value may fall.
3. **Risk associated with discretionary management:** risk that the Fund's management objective, provided for guidance purposes, may not be achieved. Investment choices are made at the discretion of the Fund manager. There is therefore a risk that the Fund may not always be invested in the best-performing markets, strategies, UCITS or investment funds.



4. Currency risk: risk arising from fluctuations in foreign exchange rates: investors may be exposed to a currency risk because certain assets are expressed in a currency other than the Fund's accounting currency and through the use of derivatives. As a result, changes in exchange rates may result in a decrease in the Fund's Net Asset Value.
5. Interest rate risk: risk of the Fund due to its sensitivity to yield curve movements, through investment in interest rate product UCITS and the use of derivatives. Certain underlying UCITS or investment funds may be exposed to interest rate risk through investments in interest rate products. Thus, in periods of interest rate increases (positive sensitivity) or decreases (negative sensitivity), the value of the interest rate products is likely to be impacted negatively, which may decrease the Fund's net asset value.
6. Credit risk: this represents (i) the risk of deterioration of an issuer's creditworthiness that will have a negative impact on the price of a security and therefore may lower the net asset value of the underlying UCITS or investment funds, as well as (ii) the risk of default of an issuer or a counterparty of an over-the-counter transaction. As such, in the event of positive credit risk exposure, an increase in credit spreads may cause a decline in the Fund's Net Asset Value.

**Investors should note that:**

- **debt securities rated in the "High Yield" speculative category present a greater credit risk, which may lead to a greater decline in the Fund's Net Asset Value.**
  - **the operating and supervision conditions of the markets on which the Fund will trade (non-OECD markets) may deviate from the standards prevailing on the major international markets, which may cause the Fund's Net Asset Value to decline.**
7. Equity risk: Risk of a decrease in the portfolio's net asset value due to the deterioration of the equity market, through investments in equity product UCITS and the use of equity derivatives, The Fund may experience a risk related to:
    - indirect equity exposures,
    - indirect investments on non-OECD markets. As such, **investors should note that the operating and supervision conditions of the markets on which the Fund will trade (non-OECD markets) may deviate from the standards prevailing on the major international markets, which may decrease the Fund's Net Asset Value.**
    - indirect exposures to large caps, mid-caps, and small caps. As such, **investors should be aware that small-cap markets are intended to accommodate businesses that, because of their specific characteristics, may present risks for investments, which may decrease the Fund's Net Asset Value.**
  8. Specific risk related to investing in Convertible Bonds through UCITS specialising in Convertible Bonds: Investors should be aware that, by the use of convertible bonds, the mutual fund's net asset value may decrease if interest rates increase, the issuer's risk profile deteriorates, equity markets decline, or the valuation of conversion options decreases.
  9. Counterparty risk: the UCITS may use OTC derivatives. These transactions, entered into with a counterparty, expose the UCITS to a risk of the counterparty's default, which may cause the net asset value of the UCITS to decline. Nevertheless, the counterparty risk may be limited by establishing guarantees granted to the UCITS in accordance with the regulations in force.
  10. Indirect risk related to commodities: The Fund may be indirectly exposed to the risk of decreases or increases in commodities such as energy, agriculture, industrial metals, and precious metals through use of derivatives by the underlying UCITS in the portfolio.
  11. Indirect risk related to subordinated bonds: The fund may be exposed to subordinated bonds indirectly through the UCIs in which it is invested. A debt is called subordinated when its repayment depends on the initial repayment of other creditors. As such, the subordinated creditor shall be repaid after the ordinary creditors, but before the shareholders. In consideration of this risk premium, the interest rate on this type of debt is higher than that of others. The use of subordinated bonds may expose the fund to the risk of coupon cancellation or deferral, conversion into shares, and uncertainty about the redemption date. Should one or more of these events occur, and more generally if a credit event affects the issuer concerned, there is a risk that the NAV of the UCITS could decline.
  12. Specific indirect risk related to the use of complex subordinated bonds (contingent convertible bonds, also known as "CoCos"): The fund may be exposed to these securities indirectly through the UCIs in which it is invested. Cocos present specific risks related to the possibility of cancellation or suspension



of their coupon, total or partial reduction of their value, or their conversion into equities. These conditions may be triggered, in whole or in part, when the issuer's level of equity falls below the trigger threshold of the contingent convertible bond. The occurrence of any of these risks may result in a decrease in the UCITS net asset value.

The realisation of any of the above types of risk may result in a fall in the NAV.

**Guarantee or protection:** None

**Target subscribers and typical investor profile:**

C EUR Units: All subscribers.

S EUR units: Units reserved for foreign marketing networks and those acting particularly under a mandate, and subject to the Management Company's prior approval.

The units of this UCI are not and will not be registered in the United States pursuant to the US Securities Act of 1933 as amended ("Securities Act of 1933") or admitted under any law of the United States. These units may not be offered, sold, or transferred in or to the United States (including its territories and possessions) or benefit, directly or indirectly, any US Person (within the meaning of Regulation S of the Securities Act of 1933) or equivalent (as referred to in the US "HIRE" Act of 18 March 2010 and in the FATCA framework).

This Fund is intended for investors who wish to have a diversified multi-management investment vehicle, mainly built on directional and absolute return strategies.

The amount that can be reasonably invested in this Fund depends on each unitholder's personal situation. To determine this amount, unitholders must consider their personal wealth, their current needs and their needs in five years, as well as their willingness to take risks or, otherwise, favour a cautious investment. Unitholders are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this Fund.

**Recommended investment period:** three to five years

**Determination and allocation of amounts available for distribution:** Accumulation mutual fund

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the Fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

- 1) the net income for the year, plus retained earnings and plus or minus net accruals for the year;
- 2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not distributed or accumulated, minus or plus capital gains accruals.

The amounts indicated in points 1) and 2) above may be distributed independently of each other, in whole or in part, according to the procedures described below.

Accumulation mutual fund: Distributable amounts shall be fully accumulated, with the exception of those amounts subject to compulsory distribution by law.

**Distribution frequency:** None, income is fully accumulated

**Characteristics of the units:** The Fund's units are broken down into thousandths.

Unit class	ISIN code	Allocation of amounts available for distribution	Currency of issue	Subscribers	Minimum initial subscription amount <sup>1</sup>
C EUR	FR0013304342	accumulation	EUR	All subscribers	1 unit (initial net asset value: €100 )
EUR		accumulation	EUR	Units reserved for foreign marketing networks and those acting particularly	€5,000 (Initial net asset value: €100)



	FR0013304367			under a mandate, and subject to the Management Company's in the Management Company.	
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<sup>1</sup> The management company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

**Subscription and redemption**

Subscription and redemption requests are received and centralised each day at 12 noon (D-1) at CACEIS Bank and executed on the basis of the net asset value of the following business day (D).

Settlements relating to subscriptions and redemptions occur on the third business day following (D+3).

Orders are executive in accordance with the table below:

D-1 business day	D-1 business day	D: day of NAV calculation	D+1 business day	D+3 business days	D+3 business days
Centralisation of subscription orders before 12 p.m. <sup>1</sup>	Centralisation of redemption orders before 12 p.m. <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

Unitholders should be aware that orders transmitted to any institution other than CACEIS Bank must take account of the fact that the time limit for centralisation of orders mentioned above applies to CACEIS Bank. Accordingly, these other institutions should apply their own deadline, prior to the deadline mentioned above, in order to take into account their time required for transmission of orders to CACEIS Bank.

**Redemption limit mechanism**

In conformance with the applicable regulations in force, the Management Company may decide, on a provisional basis, to limit the redemption of the UCITS (the "Capping Decision"), if exceptional circumstances so require and in the interest of the unitholders, to prevent an imbalance between redemption requests and the net assets of the UCITS that do not allow it to honour these requests under conditions that preserve unitholder interests and their equal treatment.

The Capping Decision applies under the conditions below:

**I. Description of the method used**

The Capping Decision may be taken if, on a given subscription centralisation date (the "Affected Centralisation Date"), the difference between the share of the UCITS whose redemption is requested (hereinafter "Redemption Percentage") and the share of the UCITS in which the subscription is requested (hereinafter "the Subscription Percentage") is positive and represents more than 30% of the total net assets reported after the last net asset value calculation date ("Net Assets"). The maximum duration for capping redemptions shall not exceed 5 working days.

**II. Procedures for informing unitholders**

Unitholders who made redemption requests affected by the Capping Decision will be specially notified as soon as possible after the Affected Centralisation Date (the "Information Deadline"). The Capping Decision will also be published on the management company's website, as well as in the next periodical report.

**III. Processing of orders**

In the event of a Capping Decision, the Percentage of Net Subscription Redemptions will be reduced to 30% of net assets.

Therefore, redemption orders will be reduced for all investors who wish to redeem their units on an Affected Centralisation Date by the same percentage (the "Reduction Coefficient"). The Reduction Coefficient is equal to a ratio between 30% (plus the percentage of any subscriptions) and the Redemption Percentage.

As such, for a given unitholder, the number of units for which redemption is honoured is equal to the initial number of units for which redemption has been requested multiplied by the Reduction Coefficient, this number of units being rounded up to the higher fraction of units.



Redemption requests that have not been honoured under the Capping Decision and pending execution will be automatically carried forward to the next net asset value date within the same limits.

Redemption requests carried forward to the next NAV date will not be given priority over subsequent requests.

IV. Example illustrating the mechanism implemented

For example:

1/ In the absence of subscriptions, if the total redemption requests for Fund units are 50% whereas the triggering threshold has been set at 30% of net assets, the Management Company may decide to honour the redemption requests at up to 30% of net assets (and thereby execute 60% of redemption requests).

2/ If subscription requests are 10% and redemption requests 50%, whereas the trigger threshold has been set at 30% of net assets, the Management Company may decide to honour redemption requests of up to 40% of net assets (and thereby execute 80% of redemption requests), corresponding to the 10% of subscriptions added to the 30% redemption threshold.

**Determination of net asset value**

The net asset value is calculated each day when the Paris stock exchange is open, with the exception of French public holidays.

The net asset value is published on the management company's website at the following address:  
[www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

**Charges and fees**

SUBSCRIPTION AND REDEMPTION FEE:

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or decrease the redemption price received. The fees retained by the Fund are used to offset the costs incurred by the UCITS in investing or divesting the entrusted assets. Any fees not retained by the UCITS are paid to the management company, marketer, distributor, etc.

<b>Charges billed to the investor, deducted at the time of subscriptions and redemptions</b>	<b>Base</b>	<b>Rate Scale</b>
Subscription fee not retained by the Fund	Net asset value X number of units	C EUR and S EUR: 3% maximum
Subscription fee retained by the Fund	Net asset value X number of units	None
Redemption fee not retained by the mutual fund	Net asset value X number of units	None
Redemption fee retained by the mutual fund	Net asset value X number of units	None

OPERATING AND MANAGEMENT FEES:

These charges cover all costs billed directly to the Fund, with the exception of transaction costs. Transaction costs include intermediation charges (brokerage, etc.) and the transaction fee, where applicable, which may be collected particularly by the custodian and the management company.

The following may be added to the operating and management fees:

- performance commissions. These reward the management company for achieving performance in excess of the Fund's objectives. They are charged to the Fund;
- activity fees charged to the Fund;

For more information on the charges actually billed to the Fund, please refer to its annual report.

	<b>Fees charged to the Fund</b>	<b>Base</b>	<b>Rate Scale</b>
1	Financial management fees	Net assets	C EUR: 1.70% maximum S EUR: 0.70% maximum
	Administrative fees external to the management company		
2	<u>Maximum indirect fees:</u>	Net assets	



	<p>- <u>management fees</u></p> <p>- <u>other fees:</u></p> <p>- subscription:</p> <p>- redemption:</p>		<p>2% on average weighted by positions on underlying funds for the year. This does not include any indirect performance fees charged by underlying UCITS.</p> <p>None, with the exception of any fees retained by the underlying UCITS (1% maximum).</p> <p>None, with the exception of any fees retained by the underlying UCITS (1% maximum).</p>
3	<p><u>Service providers collecting transaction fees:</u></p> <p>Custodian: 100%</p>	Deduction from each transaction	None
4	Performance commission	Net assets	10% of annual performance net of fees above that of the indicator (3-month EURIBOR + 2% for C EUR units, and 3-month EURIBOR + 3% for S EUR units) if the highest Net Asset Value of the end of a financial year that has previously been deducted is exceeded. (see calculation method below)

**Performance fee:**

The performance fee calculation period is the financial year of the fund. At each determination of the net asset value, the outperformance of the Fund is determined as the positive difference between the Fund's net assets before taking into account any provision for outperformance fees, and the net assets of a notional Fund delivering a performance equal to that of the Fund's benchmark and recording the same pattern of subscriptions and redemptions as the actual Fund.

The variable management fees are calculated by the Management Company at each net asset value calculation. They are only provisioned if (i) the mutual fund outperforms the benchmark, (ii) the mutual fund's performance has been positive since the beginning of the year, and (iii) that the highest Net Asset Value at the financial year's end having previously been deducted is exceeded. Such a provision can only be made if the net asset value after taking into account any provision for outperformance fees is greater than the net asset value at the start of the financial year.

In the event of underperformance, a provision write-back is carried out within the limit of the account balance. Apart from cases of redemption, this provision for variable management fees is definitively paid to the Management Company at the end of each financial year.

In the event of redemption, a share of the provision for variable management fees on outstandings recognised during the last valuation is permanently allocated to a specific third-party account in proportion to the number of units redeemed. This share of variable management fees is paid to the Management Company upon redemption.

**Financial intermediary selection procedure:**

Rothschild & Co Asset Management Europe takes meticulous care in choosing its intermediaries. They are selected on the basis of the quality of their research, but also their speed and reliability in the execution and processing of orders. We therefore choose those we consider to be the best following a rigorous, regular process.

In addition, the management company does not receive any soft commission.

For any additional information, please refer to the mutual fund's annual report.



#### ***IV. Commercial information***

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Modifications requiring a special notification to unitholders shall be disseminated to each identified unitholder or through Euroclear France for unidentified unitholders in the form of a newsletter.

Modifications not requiring a special notification to unitholders shall be communicated either in the Fund's interim documents, available from the custodian, through the press, through the Management Company's website ([www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)), or by any other means in accordance with the regulations of the French financial markets authority (AMF).

The repurchase or redemption of units is done with CACEIS Bank.

Information on how social, environmental, and governance criteria are taken into account in the investment policy is available on the management company's website at [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com) and in the annual report of the Fund.

The portfolio's composition may be sent to professional investors subject to supervision of the ACPR, the AMF, or equivalent European authorities, or to their service providers, with a confidentiality commitment, in order to meet their regulatory requirements related to Directive 2009/138/EC (Solvency 2).

It will be sent in accordance with the provisions defined by the AMF with a period of no less than 48 hours after publication of the net asset value.

For any additional information, unitholders may contact the management company.

#### ***V. Investment rules***

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This Fund shall comply with the regulatory ratios applicable to UCITS investing more than 10% in UCIs.

#### ***VI. Overall risk***

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The overall risk ratio is calculated using the commitment method.

#### ***VII. Asset valuation and accounting rules***

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The asset valuation rules are based on valuation methods and practical methods specified in the notes to the annual financial statements and in the prospectus.

The Fund has adopted the euro as the reference currency.

The prices used for the valuation of securities traded on the stock exchange are the closing prices.

The prices of the futures markets are the settlement prices.

Negotiable debt securities with a residual life of more than three months are valued at the market rate, with the exception of floating-rate or adjustable-rate negotiable debt securities not presenting any particular market sensitivity.

A simplified "linearisation" method is applied for negotiable debt securities with a remaining life of less than three months not presenting any particular market sensitivity, on the basis of the crystallised three-month rate.

The prices used for the valuation of bonds are an average of contributors.

Treasury bills are valued at the market rate.

Currency futures are valued at the daily fixing price, plus a variable premium/discount depending on the maturity and currencies of the contract.

Interest is recognised according to the cash-basis method.

UCIs are valued at the last known price.



The financial guarantees are valued at market price (mark-to-market) on a daily basis, in compliance with the valuation rules described above.

### ***VIII. Remuneration***

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In compliance with Directive 2009/65/CE, Rothschild & Co Asset Management Europe, as the management company of the mutual fund, has drawn up and applies remuneration policies and practices compatible with healthy and efficient risk management and that do not encourage risk taking that is incompatible with the mutual fund's risk profiles and regulatory documents and that do not harm the obligation to act in the best of its interests.

The remuneration policy complies with the economic strategy, the targets, values and interests of the mutual fund and investors and includes measures aimed at avoiding conflicts of interest.

In addition, as management company for alternative investment funds and UCITS, Rothschild & Co Asset Management Europe also applies AIFM and UCITS directives.

The Regulated Population in terms of the AIFM and UCITS directives includes the following functions:

General Management

Managers of AIF or UCITS

Development and Marketing managers

Internal Control Compliance Director

Risk functions (operating, market, etc.)

Administrative managers

Any other employee that has a significant impact on the company's risk profile or the AIF/UCITS managed and whose overall remuneration is situated in the same remuneration tranche as other risk takers.

The remuneration policies and practices of Rothschild & Co Asset Management Europe apply to all staff members, with specific rules on deferred variable remuneration applicable to the Regulated Population, in line with the AIFM and UCITS regulations.

Details concerning the Rothschild & Co Asset Management Europe remuneration policy are available at [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

A printed version of the Rothschild & Co Asset Management Europe remuneration policy can be made available free of charge to investors in the mutual fund on simple request at the head offices of the management company.



# R-CO PROFILO BPA SELECTION

## TITLE I

### ASSETS AND UNITS

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#### **Article 1 – Joint-ownership units**

The rights of joint owners are expressed in units, each unit corresponding to an identical share of the fund's assets. Each unitholder is entitled to joint ownership of the fund's assets in proportion to the number of units held.

The term of the Fund is 99 years from its launch, unless it is wound up early or extended pursuant to these regulations.

Unit classes:

The characteristics of the various unit classes and their access conditions are set out in the mutual fund's prospectus.

The various unit classes may:

- have different arrangements for distributing revenue; (distribution or accumulation)
- be denominated in different currencies;
- incur different management fees;
- be subject to different subscription and redemption fees;
- have different par values;
- be systematically hedged against currency risk, either partially or in full, as set out in the mutual fund's prospectus. This hedging process is performed using financial instruments that reduce the impact of the hedging transactions for the other unit classes of the fund to a minimum;
- be reserved for one or more distribution networks.

Units may be merged or split.

Units may be subdivided, on the decision of the management company's management, in tenths, hundredths, thousandths, or ten-thousandths, called fractions of units.

The provisions of the regulations governing the issue and redemption of units shall also apply to fractional units, whose value will always be proportionate to that of the unit that they represent. Unless otherwise stated, all other provisions of the regulations relating to units shall apply to fractional units without any need to make a specific provision.

Lastly, the management company's management may, at its sole discretion, divide units by creating new units and allocating them to unitholders in exchange for old units.

#### **Article 2 – Minimum assets**

Units may not be redeemed if the mutual fund's assets fall below €300,000; where net assets remain below that level for thirty days, the asset management company shall take the necessary measures to wind up the UCITS in question or to perform one of the transactions listed in Article 422-17 of the AMF General Regulations (transfer of the UCITS).

#### **Article 3 – Issue and redemption of units**

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

Redemptions and subscriptions are performed under the conditions and according to the procedures specified in the prospectus.

Fund units may be admitted to trading in accordance with the applicable regulations.

Subscriptions must be paid up in full on the day of the net asset value calculation. They may be paid in cash and/or financial instruments. The management company may turn down the securities offered and must announce its decision within seven days. If accepted, contributed securities shall be valued according to the rules



## Regulations

### R-co Profilo BPA Selection

set out in Article 4, and the subscription shall take effect based on the first net asset valuation following the acceptance of the securities concerned.

Redemptions can be made in cash and/or in kind. If the redemption in kind corresponds to a representative share of assets in the portfolio, then only the written signed agreement of the unitholder must be obtained by the UCITS or the management company. If the redemption in kind does not correspond to a representative share of assets in the portfolio, all unitholders must give their written approval authorising the redemption of the outgoing unitholder's units against certain specific assets, as defined explicitly in the agreement.

In derogation from the above, when the fund is an ETF, redemptions on the primary market can, with the agreement of the portfolio's management company and in respect of the interests of unitholders, be made in kind according to the conditions defined in the prospectus or the fund's rules. The assets will then be delivered by the issuer account holder under the conditions defined in the fund's prospectus.

In general, the assets redeemed are valued according to the rules set out in Article 4, and the repurchase in kind takes effect based on the first net asset valuation following the acceptance of the securities concerned.

Redemption shall be paid by the custodian/registrar within five days after unit valuation.

However, if, under exceptional circumstances, the reimbursement requires the prior sale of fund assets, this period may be extended but shall not exceed 30 days.

Except in cases of inheritance or gifting, the sale or transfer of units between holders or between holders and third parties shall be treated as a redemption followed by a subscription. If a third party is involved, the beneficiary must make an additional payment above the amount of the sale or transfer if such is needed to reach the minimum subscription requirement specified in the Fund's prospectus.

Pursuant to Article L. 214-8-7 of the French financial and monetary code, the redemption of units by the mutual fund as well as the issue of new units may be suspended on a temporary basis by the management company in exceptional circumstances and if this is considered to be necessary to protect the interests of the unitholders.

If the mutual fund's assets fall below the minimum regulatory requirement, no units may be redeemed.

Pursuant to Articles L. 214-8-7 of the French monetary and financial code and 411-20-1 of the AMF General Regulation, the management company may decide to limit redemptions if so required by exceptional circumstances and the interests of the holders or the public.

The operation of the mechanism for capping and informing unitholders must be described in detail.

Units may be subject to minimum subscription conditions, pursuant to the terms specified in the prospectus.

The Fund may cease to issue units pursuant to the third paragraph of Article L. 214-8-7 of the French monetary and financial code, provisionally or definitively, in part or in full, in order to respect the principle of equity of unitholders in situations that objectively require the closure of subscriptions, such as when the maximum number of units has been issued, a maximum amount of assets has been reached, or a specific subscription period has expired. The triggering of this tool will be the object of information by any means to existing unitholders relative to its activation as well as to the threshold and the objective situation having led to the partial or full closure decision. In the event of a part closure, this information by all means will explicitly point out the terms under which existing unitholders can continue to subscribe throughout the duration of this partial closure. Unitholders are also informed by all means of the decision of the management company either to end the full or partial closure of subscriptions (after a fall below the trigger threshold) or not to end it (if the threshold is changed or the objective situation that led to the tool being implemented changes). A change in the objective situation invoked or in the trigger threshold for the tool should always be undertaken in the interests of unitholders. The information by all means points out the exact reasons for these changes.

#### Article 4 – Calculation of net asset value

The net asset value of the units is calculated in accordance with the valuation rules set out in the prospectus.

Contributions in kind may only consist of the securities, instruments, or contracts eligible to form part of the UCITS's assets; they are valued in accordance with the valuation rules applicable to the calculation of the net asset value.



**TITLE II**

**FUND OPERATION**

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**Article 5 – Management company**

The Fund is managed by the management company in accordance with the Fund's investment objectives.

The management company may take any decision to change the fund's investment strategy or investment policy, in the interest of the unitholders, and in compliance with the applicable laws and regulations. These changes may be subject to the approval of the AMF.

At all times, the management company shall act on behalf of the unitholders, and it alone is entitled to exercise the voting rights attached to the securities included in the fund.

**Article 5a – Operating rules**

The instruments and deposits eligible to form part of the Fund's assets, as well as the investment rules, are described in the Fund's prospectus.

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

Units may be listed for trading on a regulated market and/or a multilateral trading system according to the regulations in force. In the event that the fund whose units are admitted to trading on a regulated market has a management objective based on an index, the fund must have put in place a mechanism to ensure that the price of its units does not deviate significantly from its net asset value.

**Article 6 – Custodian**

The custodian shall perform the duties for which it is responsible in accordance with the legal and regulatory provisions in force and those contractually entrusted to it by the management company.

The custodian shall monitor the compliance of the decisions made by the management company. Where applicable, the custodian must take any protective measures that it deems useful. In the event of a dispute with the management company, the custodian shall inform the AMF.

**Article 7 – Statutory Auditor**

A statutory auditor is appointed by the management company's management body for a term of six financial years after approval from the AMF.

The statutory auditor shall certify that the accounts are true and fair.

The statutory auditor may be reappointed to office.

The statutory auditor shall inform the AMF as soon as possible of any event or decision concerning the fund of which the statutory auditor has become aware in the course of the work that may:

- 1° Constitute an infringement of applicable laws or regulations and which may have a significant effect on the Fund's financial situation, earnings, or assets;
- 2° Adversely affect the conditions or the continuity of its operations;
- 3° Result in the statutory auditor expressing a qualified opinion or refusing to certify the accounts.

Asset valuations and the determination of exchange rates used in currency conversions, mergers, or spin-offs shall be audited by the statutory auditor.

The statutory auditor assesses all contributions or redemptions in kind under its responsibility, except under the framework of redemptions in kind for an ETF on the primary market.

The statutory auditor shall certify the completeness of the composition of the fund's assets and other information before it is reported.

The statutory auditor's fees shall be mutually agreed by the auditor and the management body of the management company, in light of the auditor's work schedule and the work deemed necessary.

The statutory auditor shall certify the circumstances underlying any interim distributions.



## Regulations R-co Profilo BPA Selection

### Article 8 – Financial statements and management report

At the close of each fiscal year, the management company shall draw up the financial statements and a report on the Fund's management (where applicable, relating to each sub-fund) for the past year.

At least once every six months, the management company shall prepare an inventory of the fund's assets, under the custodian's supervision.

The management company shall hold these documents for consultation by the unitholders for a period of four months from the year-end and inform them of their revenue entitlement. These documents shall be either sent by post, at the express request of the unitholders, or made available to them at the management company's offices.

## TITLE III

### ALLOCATION OF AMOUNTS AVAILABLE FOR DISTRIBUTION

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#### Article 9 – Allocation of amounts available for distribution

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, and bonuses, as well as all income relating to securities that constitute the Fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

1° Net income for the year, plus retained earnings and plus or minus the balance of income accrual account for the year;

2° Capital gains realised, net of costs, minus capital losses realised, net of costs recorded during the period, plus net capital gains of the same type recorded during earlier periods that were not the subject of any distribution and capitalisation and minus or plus the balance of accrued capital gains.

The amounts indicated in points 1° and 2° above may be distributed independently of each other, in whole or in part.

Amounts available for distribution must be paid within a maximum period of five (5) months from the year-end.

The management company shall decide how to allocate the income.

For each unit class, where applicable, the Fund may opt for one of the following formulas for each of the amounts mentioned in points 1° and 2°:

- Pure accumulation: distributable amounts shall be fully accumulated, with the exception of those amounts which are subject to compulsory distribution by law;
- Pure distribution: all amounts available for distribution shall be distributed to the nearest round number; the company may make interim dividend distributions;
- For funds that would like to remain free to accumulate and/or distribute, and/or to retain distributable amounts, the management company decides each year on the allocation of the amounts indicated in points 1° and 2°.

Where applicable, the management company can decide, during the year, to distribute one or several interim dividends within the limit of the net revenues of each of the amounts indicated in 1° and 2°, booked on the decision date, as well as their amounts and their distribution dates.

For the i) pure distribution and ii) accumulation and/or distribution units, the management company decides each year how to allocate the capital gains (accumulation, distribution and/or carry-over).

More precise details concerning the allocation of distributable amounts are provided in the prospectus.



**TITLE IV**

**MERGER – DEMERGER – DISSOLUTION – LIQUIDATION**

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**Article 10 – Merger - Demerger**

The management company may transfer all or part of the fund's assets to another UCITS or split the fund into two or more other mutual funds.

Such mergers or demergers may only be carried out after unitholders have been notified. After each transaction, new certificates shall be issued stating the number of units held by each unitholder.

**Article 11 - Dissolution – Extension**

If the assets of the Fund (or, where applicable, the sub-fund) remain below the minimum level set in article 2 for thirty consecutive days, the management company shall notify the AMF and then either arrange a merger with another UCI or wind up the Fund (or, where applicable, the sub-fund).

- The management company may wind up the Fund (or, where applicable, the sub-fund) early; it shall notify the unitholders of this decision, and no application for subscription or redemption shall be accepted after such an announcement.
- The management company shall wind up the Fund (or, where applicable, the sub-fund) if it receives an application to redeem all its assets, if the custodian ceases to operate and no other custodian has been appointed, or on expiry of its term, if it is not extended.

The management company shall inform the AMF by mail of the planned dissolution date and procedure. It shall then send the statutory auditor's report to the AMF.

The management company may decide, with the custodian's consent, to extend a Fund's term. Its decision must be taken at least 3 months before expiry of the Fund's anticipated term and reported to the unitholders and the AMF.

**Article 12 – Liquidation**

In the event of dissolution, the management company or the appointed liquidator shall assume the role of liquidator; if this is not possible, a liquidator shall be appointed by the court at the request of any interested party. In such an event, it shall be entrusted with full powers to realise assets, pay off any creditors, and distribute the remaining balance among the unitholders in the form of cash or securities.

The statutory auditor and the custodian shall continue in office until all liquidation operations have been completed.

**TITLE V**

**DISPUTES**

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**Article 13 – Jurisdiction – Election of Domicile**

Any dispute that may arise during the fund's existence or upon its liquidation, either between the unitholders themselves or between the unitholders and the management company or the custodian, shall be referred to the courts having jurisdiction.



# R-co

Open-ended investment fund (SICAV)

Prospectus

Updated on 17 July 2020



UCITS governed by  
European  
Directive 2009/65/EC

# R-co

## I. General characteristics

### FORM OF THE UCITS:

Name: R-co  
Legal form: Open-ended investment fund (SICAV) governed by French law  
Registered office: 29, avenue de Messine – 75008 Paris  
Creation date: 24 October 2018  
Expected life: 99 years

**SUMMARY OF THE MANAGEMENT PROPOSAL:** The “R-co” SICAV (hereinafter the “SICAV”) has sixteen sub-funds:

#### Sub-fund No. 1: R-co Valor Balanced

Share name	ISIN code	Eligible subscribers	Allocation of amounts available for distribution	Currencies of issue	Initial value of the share	Minimum initial subscription*
C EUR	FR0013367265	All subscribers	Accumulation	Euro	€ 100	2,500 euros
D EUR	FR0013367273	All subscribers	Income	Euro	€ 100	2,500 euros
F EUR	FR0013367281	All subscribers	Accumulation	Euro	€ 100	1 share
P EUR	FR0013367299	See below**	Accumulation	Euro	€ 1,000	5,000 euros or 500,000 euros for institutional investors (division of the net asset value by 10 on 17 July 2020)
PB EUR	FR0013367315	See below**	Income	Euro	€ 1,000	5,000 euros or 500,000 euros for institutional investors
P USD	FR0013367331	See below**	Accumulation	USD	USD 1,000	5,000 US dollars or 500,000 US dollars for institutional investors
P USD H	FR0013367349	See below**	Accumulation	USD***	USD 1,000	5,000 US dollars or



						500,000 US dollars for institutional investors
R EUR	FR0013367356	All subscribers, specifically intended for foreign marketing networks	Accumulation	Euro	€ 10	100 euros

\* The Management Company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

\*\* Subscription for these shares is reserved for:

1) investors subscribing through distributors or intermediaries:

- o subject to national laws prohibiting all retrocessions to distributors (for example, Great Britain and the Netherlands),

or

- o providing
  - an independent advisory service within the meaning of the European MiFID 2 regulation
  - an individual discretionary portfolio management service

2) institutional investors whose minimum initial subscription amount is 500,000 euros for the P EUR and PB EUR shares and 500,000 US dollars for the P USD and P USD H shares.

\*\*\* These shares are systematically hedged against the currency risk of the sub-fund's reference currency.

Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

The sub-fund has eight share classes. These eight classes differ particularly from the point of view of their schemes for allocation of amounts available for distribution, their currency of issue, their management fees and subscription/redemption fees, their par value, and the distribution network(s) for which they are intended.

In addition, for each share class, the Management Company reserves the right to not activate it and therefore to delay its commercial launch.

Sub-fund No. 2: R-co THEMATIC REAL ESTATE:

Share name	ISIN code	Eligible subscribers	Allocation of amounts available for distribution	Currencies of issue	Initial value of the share	Minimum initial subscription*
D	FR0007474028	All subscribers	Income	Euro	€ 152.45	5 shares
C	FR0007457890	All subscribers	Accumulation	Euro	€ 152.45	5 shares
I	FR0010680553	Institutional	Accumulation	Euro	€ 100,000	€ 1,000,000
ID	FR0011361062	Institutional	Income	Euro	€ 100,000	€ 1,000,000
S	FR0010680546	Charity share intended for investors of any kind wishing to contribute a portion of the sub-fund's distributable income to a public-interest utility. Each year, half of the	Income	Euro	€ 1,000.00	1 share



		distributable income from S shares is contributed to Fondation des Petits Frères des Pauvres (a public-interest foundation), and half is paid to the shareholders.				
I2	FR0011885789	All subscribers	Accumulation	Euro	€ 100	1 share
F	FR0011885797	All subscribers	Accumulation	Euro	€ 100	1 share
CL	FR0013293909	See below**	Accumulation	Euro	Initial NAV: equal to the NAV of the C share on the day when the CL share is created	1 share or €500,000 for institutional investors
P	FR0013293925	See below**	Accumulation	Euro	€ 100	1 share or €500,000 for institutional investors

\* The Management Company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

\*\* Subscription for these shares is reserved for:

1) investors subscribing through distributors or intermediaries:

- o subject to national laws prohibiting all retrocessions to distributors (for example, Great Britain and the Netherlands),

or

- o providing
  - an independent advisory service within the meaning of the European MiFID 2 regulation
  - an individual discretionary portfolio management service

2) institutional investors whose minimum initial subscription amount is 500,000 euros.

Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

The sub-fund has nine share classes. These nine classes differ particularly from the point of view of their schemes for allocation of amounts available for distribution, their currency of issue, their management fees and subscription/redemption fees, their par value, and the distribution network(s) for which they are intended.

In addition, for each share class, the Management Company reserves the right to not activate it and therefore to delay its commercial launch.

#### Sub-fund No. 3: R-co THEMATIC GOLD MINING

Share name	ISIN code	Target subscribers	Allocation of amounts available for distribution	Currency of issue	Initial value of the share	Minimum initial subscription
C	FR0007001581	All subscribers	Accumulation	Euro	€ 152.44	1 share



Sub-fund No. 4: R-co THEMATIC SILVER PLUS

Share name	ISIN code	Eligible subscribers	Allocation of amounts available for distribution	Currencies of issue	Initial value of the share	Minimum initial subscription*
I	FR0010906305	Institutional	Accumulation	Euro	€ 100,000	€ 1,000,000
C	FR0010909531	All subscribers	Accumulation	Euro	€ 100	1 share
CL	FR0013293933	See below**	Accumulation	Euro	€ 100	1 share or €500,000 for institutional investors
CL CHF H	FR0013387388	See below**	Accumulation	CHF***	CHF 100	1 share or 500,000 Swiss francs for institutional investors
CL USD H	FR0013387370	See below**	Accumulation	USD***	USD 100	1 share or 500,000 US dollars for institutional investors
F EUR	FR0013495686	All subscribers	Accumulation	Euro	€ 100	1 share

\* The Management Company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

\*\* Subscription for this stock is reserved for:

1) investors subscribing through distributors or intermediaries:

- subject to national laws prohibiting all retrocessions to distributors (for example, Great Britain and the Netherlands),

or

- providing
  - an independent advisory service within the meaning of the European MiFID 2 regulation
  - an individual discretionary portfolio management service

2) institutional investors whose minimum initial subscription amount is 500,000 euros for the CL shares, 500,000 Swiss francs for the CL CHF H shares, and 500,000 US dollars for the CL USD H shares.

\*\*\* These shares are systematically hedged against the currency risk of the sub-fund's reference currency.

Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

The sub-fund has six share classes. These six classes differ particularly from the point of view of their currency of issue, management fees, their nominal value, and the distribution network(s) for which they are intended.

In addition, for each share class, the Management Company reserves the right to not activate it and therefore to delay its commercial launch.



Sub-fund No. 5: RMM STRATEGIE MODEREE

Share name	ISIN code	Eligible subscribers	Allocation of amounts available for distribution	Currencies of issue	Minimum initial subscription amount*	Fractional units
C	FR0007035555	All subscribers	Accumulation	Euro	€ 100	Ten-thousandths
D	FR0013329356	All subscribers	Income	Euro	€ 100	Ten-thousandths

\* The Management Company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

Sub-fund No. 6: RMM STRATEGIE DIVERSIFIEE

Share name	ISIN code	Eligible subscribers	Allocation of amounts available for distribution	Currency of issue	Minimum initial subscription amount*	Fractional units
C	FR0007035571	All subscribers	Accumulation	Euro	€ 100	Ten-thousandths
D	FR0013329349	All subscribers	Income	Euro	€ 100	Ten-thousandths

\* The Management Company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

Sub-fund No. 7: RMM STRATEGIE DYNAMIQUE

Share name	ISIN code	Eligible subscribers	Allocation of amounts available for distribution	Currency of issue	Minimum initial subscription amount*	Fractional units
C	FR0007035563	All subscribers	Accumulation	Euro	€ 100	Ten-thousandths
D	FR0013329505	All subscribers	Income	Euro	€ 100	Ten-thousandths

\* The Management Company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

Subsequent subscriptions may be done in shares or fractions of shares, where applicable.



Sub-fund No. 8: R-co VALOR BOND OPPORTUNITIES

Share name	ISIN code	Eligible subscribers	Allocation of amounts available for distribution	Currency of issue	Initial value of the share	Minimum initial subscription amount*	Fractional units
C EUR	FR0013417524	All subscribers	Accumulation	Euro	€100	€2500	Ten-thousandths
I EUR	FR0013417532	Institutional	Accumulation	Euro	€1000	€5,000,000	Ten-thousandths

\* The Management Company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

Sub-fund No. 9: R-co CONVICTION CREDIT EURO:

Share class	ISIN code	Allocation of amounts available for distribution	Currency of issue <sup>1</sup>	Target subscribers	Minimum initial subscription amount <sup>2 3</sup>
C EUR	FR0007008750	Accumulation	EUR	All subscribers	2,500 euros
C CHF H	FR0011829068	Accumulation	CHF	All subscribers	2,500 Swiss francs
C USD H	FR0011839877	Accumulation	USD	All subscribers	2,500 dollars
D EUR	FR0010134437	Income	EUR	All subscribers	2,500 euros
F EUR	FR0010807107	Accumulation	EUR	All subscribers	1 share
IC EUR	FR0010807123	Accumulation	EUR	All subscribers but specifically reserved for institutional investors	5,000,000 euros
IC CHF H	FR0011839885	Accumulation	CHF	All subscribers but specifically reserved for institutional investors	5,000,000 Swiss francs
ID EUR	FR0011418359	Income	EUR	All subscribers but specifically reserved for institutional investors	5,000,000 euros
M EUR	FR0011839893	Accumulation	EUR	Shares reserved for mutual funds, employees and officers of the Rothschild & Co Group	1,000 euros
MF EUR	FR0013294063	Income	EUR	Shares reserved for feeder UCIs of the Rothschild & Co Group	5,000 euros
P EUR	FR0011839901	Accumulation	EUR	See below*	5,000 euros or 500,000 euros for institutional investors
PB EUR	FR0012243988	Income	EUR	See below*	5,000 euros or 500,000 euros for institutional investors



P CHF H	FR0011839919	Accumulation	CHF	See below*	5,000 Swiss francs or 500,000 Swiss francs for institutional investors
P USD H	FR0011839927	Accumulation	USD	See below*	5,000 dollars or 500,000 dollars for institutional investors
R EUR	FR0013111804	Accumulation	EUR	All subscribers, but intended especially for foreign marketing networks,	100 euros

<sup>1</sup> Shares in CHF and in USD are systematically hedged against the currency risk of the sub-fund's reference currency.

<sup>2</sup> The management company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

<sup>3</sup> Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

\* Subscription for these shares is reserved for:

1) investors subscribing through distributors or intermediaries:

- subject to national laws prohibiting all retrocessions to distributors (for example, Great Britain and the Netherlands),

or

- providing
  - an independent advisory service within the meaning of the European MiFID 2 regulation
  - an individual discretionary portfolio management service

2) institutional investors whose minimum initial subscription amount is 500,000 euros for the P EUR and PB EUR shares, 500,000 Swiss francs for the P CHF H shares, and 500,000 dollars for the P USD H shares.

The sub-fund has fifteen share classes: C EUR, C CHF H, C USD H, D EUR, F EUR, IC EUR, IC CHF H, ID EUR, M EUR, MF EUR, P EUR, PB EUR, P CHF H, P USD H, and R EUR. These fifteen classes differ particularly from the point of view of their schemes for allocation of amounts available for distribution, their currency of issue, their management fees and subscription/redemption fees, their nominal value, their systematic hedging against currency risk, and the distribution network(s) for which they are intended.

In addition, for each share class, the Management Company reserves the right to not activate it and therefore to delay its commercial launch.

Sub-fund No. 10: R-co CONVICTION CREDIT SD EURO:

Share class	ISIN code	Allocation of amounts available for distribution	Currency of issue*	Target subscribers	Minimum initial subscription amount**
C EUR	FR0010692335	Accumulation	EUR	All subscribers	One share
D EUR	FR0010692319	Income	EUR	All subscribers	One share
I EUR	FR0011208073	Accumulation	EUR	All subscribers but specifically intended for institutional investors	5,000,000 euros
I CHF H	FR0013111770	Accumulation	CHF	All subscribers but specifically intended for institutional investors	CHF 5,000,000
MF EUR	FR0012243970	Income	EUR	Shares reserved for feeder UCIs of the Rothschild & Co Group	5,000 euros

\* CHF shares are systematically hedged against the currency risk of the sub-fund's reference currency.



\*\* The management company, or any other entity belonging to the same group, is exempt from the initial minimum subscription obligation, where applicable.

Subsequent subscriptions may be done in units or fractions of units, where applicable.

The sub-fund has five share classes: C EUR, D EUR, I EUR, I CHF H, and MF EUR. These five share classes differ from the point of view of the scheme for their allocation of amounts available for distribution, the minimum initial subscription amount, their management fees, the distribution network(s) for which they are intended, and their par value.

In addition, for each share class, the Management Company reserves the right to not activate it and therefore to delay its commercial launch.

Sub-fund No. 11: R-CO ALIZES:

Share class	ISIN code	Allocation of amounts available for distribution	Currency of issue <sup>1</sup>	Target subscribers	Minimum initial subscription amount <sup>2 3</sup>
C EUR	FR0011276567	Accumulation	EUR	All subscribers	2,500 euros
C CHF H	FR0012982866	Accumulation	CHF	All subscribers	2,500 Swiss francs
D EUR	FR0011276591	Income	EUR	All subscribers	2,500 euros
F EUR	FR0011276617	Accumulation	EUR	All subscribers	1 share
I EUR	FR0011276633	Accumulation	EUR	All subscribers but specifically intended for institutional investors and UCITS	5,000,000 euros
IC CHF H	FR0012982874	Accumulation	CHF	All subscribers but specifically intended for institutional investors and UCITS	5,000,000 Swiss francs
MF EUR	FR0012243947	Income	EUR	Shares reserved for feeder UCIs of the Rothschild & Co Group	5,000 euros
R EUR	FR0013111721	Accumulation	EUR	All subscribers but specifically intended for foreign marketing networks	100 euros
M EUR	FR0011847383	Accumulation	EUR	Shares reserved for mutual funds, employees and officers of the Rothschild & Co Group	1,000 euros

<sup>1</sup> CHF shares are systematically hedged against the currency risk of the sub-fund's reference currency.

<sup>2</sup> The management company, or any other entity belonging to the same group, is exempt from the initial minimum subscription obligation.

<sup>3</sup> Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

The sub-fund has nine share classes: C EUR, C CHF H, D EUR, F EUR, I EUR, IC CHF H, MF EUR, R EUR, and M EUR. These nine classes differ particularly from the point of view of their schemes for allocation of amounts available for distribution, their management fees and redemption fees, their par value, and the distribution network(s) for which they are intended.

In addition, for each share class, the Management Company reserves the right to not activate it and therefore to delay its commercial launch.



Sub-fund No. 12: R-co CONVICTION CLUB:

Share class	ISIN code	Allocation of amounts available for distribution	Currency of issue	Target subscribers	Minimum initial subscription amount*
C EUR	FR0010541557	Accumulation	EUR	All subscribers	2,500 euros Initial NAV: € 409.03 (division of the net asset value by 5 on 17 December 2010)
C CHF H	FR0011845668	Accumulation	CHF**	All subscribers	2,500 Swiss francs Initial net asset value of one share: 1,000 Swiss francs
CL EUR	FR0013293941	Accumulation	EUR	See below***	1 share or 500,000 euros for institutional investors  Initial NAV: equal to the NAV of the C EUR share on the day when the CL EUR share is created
CD EUR	FR0013293958	Income	EUR	See below***	1 share or 500,000 euros for institutional investors  Initial NAV: equal to the NAV of the D EUR share on the day when the CD EUR share is created
D EUR	FR0010523191	Income	EUR	All subscribers	2,500 euros (division of the net asset value by 5 on 17 December 2010)
F EUR	FR0010537423	Accumulation	EUR	All subscribers and mainly intended to be distributed by partners of the management company or third-party management companies	1 share Initial NAV: € 436.83 (division of the net asset value by 5 on 17 December 2010)
MF EUR	FR0013293966	Income	EUR	Shares reserved for feeder UCIs of the Rothschild & Co Group	5,000 euros Initial NAV: equal to the NAV of the PB EUR share on the day when the MF EUR share is created
P EUR	FR0011845692	Accumulation	EUR	See below***	5,000 euros or 500,000 euros for institutional investors  Initial net asset value of one share: 1,000 euros
PB EUR	FR0012243954	Income	EUR	See below***	5,000 euros or 500,000 euros for institutional investors  Initial net asset value of one share: 1,000 euros
R EUR	FR0013111739	Accumulation	EUR	All subscribers but specifically intended for foreign marketing networks	100 euros Initial NAV: 10 euros

\* The management company, or any other entity belonging to the same group, is exempt from the initial minimum subscription obligation.

\*\* These CHF shares are systematically hedged against the currency risk of the sub-fund's reference currency.

\*\*\* Subscription for this stock is reserved for:

1) investors subscribing through distributors or intermediaries:

- subject to national laws prohibiting all retrocessions to distributors (for example, Great Britain and the Netherlands),
- or
- providing
  - an independent advisory service within the meaning of the European MiFID 2 regulation



- an individual discretionary portfolio management service
- 2) institutional investors whose minimum initial subscription amount is 500,000 euros.

Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

The sub-fund has ten share classes: C EUR, C CHF H, CL EUR, CD EUR, D EUR, F EUR, MF EUR, P EUR, PB EUR, and R EUR. These ten classes differ particularly from the point of view of their schemes for allocation of distributable amounts, their currency of issue, their management fees and subscription/redemption fees, their nominal value, their systematic hedging against foreign exchange risk, and the distribution network(s) for which they are intended.

In addition, for each share class, the Management Company reserves the right to not activate it and therefore to delay its commercial launch.

Sub-fund No. 13: R-co CONVICTION EQUITY VALUE EURO:

Share class	ISIN code	Allocation of amounts available for distribution	Currency of issue	Target subscribers	Minimum initial subscription amount <sup>1 2</sup>
C EUR	FR0010187898	Accumulation	EUR	All subscribers	2,500 euros
CL EUR	FR0013294006	Accumulation	EUR	See below*	1 share or 500,000 euros for institutional investors
F EUR	FR0010807099	Accumulation	EUR	All subscribers	1 share
I EUR	FR0010839555	Accumulation	EUR	All subscribers but specifically intended for institutional investors	5,000,000 euros
ID EUR	FR0011418342	Income	EUR	All subscribers but specifically intended for institutional investors	5,000,000 euros
M EUR	FR0011845411	Accumulation	EUR	Shares reserved for mutual funds, employees and officers of the Rothschild & Co Group	1,000 euros
MF EUR	FR0013294022	Income	EUR	Shares reserved for feeder UCIs of the Rothschild & Co Group	5,000 euros
P EUR	FR0011845429	Accumulation	EUR	See below*	5,000 euros or 500,000 euros for institutional investors
PB EUR	FR0013076411	Income	EUR	See below*	5,000 euros or 500,000 euros for institutional investors
R EUR	FR0013111754	Accumulation	EUR	All subscribers but specifically intended for foreign marketing networks	100 euros

<sup>1</sup> The management company, or any other entity belonging to the same group, is exempt from the initial minimum subscription obligation, where applicable.

<sup>2</sup> Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

\* Subscription for this stock is reserved for:

1) investors subscribing through distributors or intermediaries:

- o subject to national laws prohibiting all retrocessions to distributors (for example, Great Britain and the Netherlands),

or

- o providing

- an independent advisory service within the meaning of the European MiFID 2 regulation
- an individual discretionary portfolio management service

2) institutional investors whose minimum initial subscription amount is 500,000 euros.

The sub-fund has ten share classes: C EUR, CL EUR, F EUR, I EUR, ID EUR, M EUR, MF EUR, P EUR, PB EUR, and R EUR. These ten share classes differ particularly from the point of view of their scheme for allocation of amounts available for distribution, their management fees, performance fee, and subscription/redemption fees, their par value, and the distribution network(s) for which they are intended.



In addition, for each share class, the management company reserves the right to not activate it and therefore to delay its commercial launch.

Sub-fund No. 14: RMM ACTIONS USA:

Share class	ISIN code	Allocation of amounts available for distribution	Currency of issue	Target subscribers	Minimum initial subscription amount <sup>1</sup> <sub>2</sub>
C EUR	FR0011212547	Accumulation	EUR	All subscribers	1 share
H EUR	FR0011069137	Accumulation	EUR	All subscribers	1 share
MF USD	FR0013221462	Income	USD	Share reserved for feeder UCIs of the Rothschild & Co Group	5,000 dollars

<sup>1</sup> The management company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

<sup>2</sup> Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

The sub-fund has three share classes: C EUR, H EUR and MF USD. These three share classes are differentiated by a currency risk hedging strategy for each fund and their currency of issue. H EUR shares are fully and systematically hedged against the dollar to euro currency risk whereas C EUR and MF USD shares do not benefit from this. The currency of issue for MF USD shares is the dollar, whereas the currency of issue of C EUR and H EUR shares is the euro.

Sub-fund No. 15: R-co CONVICTION EQUITY MULTI CAPS EURO:

Share class	ISIN code	Allocation of amounts available for distribution	Currency of issue	Target subscribers	Minimum initial subscription amount*
C EUR share	FR0007085063	Accumulation	EUR	All subscribers	€ 2,500
I EUR share	FR0010671479	Accumulation	EUR	Institutional	€ 5,000,000
MF EUR share	FR0011558212	Accumulation	EUR	Shares reserved for feeder UCIs of the Rothschild & Co Group	€ 5,000

\*This condition regarding the minimum subscription amount does not apply to the management company or an entity belonging to the same group.



Sub-fund No. 16: R-co 4CHANGE GREEN BONDS:

Share class	ISIN code	Allocation of amounts available for distribution	Currency of issue	Target subscribers	Minimum initial subscription amount <sup>1 2</sup>
C EUR	FR0013513132	Accumulation	EUR	All subscribers	2,500 euros
D EUR	FR0013513124	Income	EUR	All subscribers	2,500 euros
IC EUR	FR0013513140	Accumulation	EUR	All subscribers but specifically reserved for institutional investors	5,000,000 euros
ID EUR	FR0013513157	Income	EUR	All subscribers but specifically reserved for institutional investors	5,000,000 euros
P EUR	FR0013513165	Accumulation	EUR	See below*	5,000 euros or 500,000 euros for institutional investors
PB EUR	FR0013513173	Income	EUR	See below*	5,000 euros or 500,000 euros for institutional investors

<sup>1</sup>The management company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

<sup>2</sup>Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

\* Subscription for these shares is reserved for:

1) investors subscribing through distributors or intermediaries:

- o subject to national laws prohibiting all retrocessions to distributors (for example, Great Britain and the Netherlands),

or

- o providing
  - an independent advisory service within the meaning of the European MiFID 2 regulation
  - an individual discretionary portfolio management service

2) institutional investors whose minimum initial subscription amount is 500,000 euros for the P EUR and PB EUR shares. The sub-fund has six share classes: C EUR, D EUR, IC EUR, ID EUR, P EUR and PB EUR shares. These six classes differ particularly from the point of view of their schemes for allocation of amounts available for distribution, their management fees and subscription/redemption fees, their par value, and the distribution network(s) for which they are intended.

In addition, for each share class, the Management Company reserves the right to not activate it and therefore to delay its commercial launch.

**Indication where the articles of association of the SICAV, the latest annual report, and the latest interim statement can be obtained:**

The latest annual documents and the composition of assets are sent within eight working days of the shareholder's written request addressed to:

Rothschild & Co Asset Management Europe  
Service commercial  
29, avenue de Messine  
75008 Paris



The Key Investor Information Documents (KIID) are also available at [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

For further information, contact the sales and marketing department (service commercial) of the Management Company (tel: 01 40 74 40 84) or by e-mail at the following address: [clientserviceteam@rothschildandco.com](mailto:clientserviceteam@rothschildandco.com)

## **II. Parties involved**

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### **Management Company:**

Rothschild & Co Asset Management Europe, portfolio management company approved by the AMF on 6 June 2017 under number GP-17000014 (below, the "Management Company").

Limited Partnership

29 avenue de Messine – 75008 Paris

### **Depository, Custodian and share Registrar:**

Rothschild Martin Maurel (hereinafter the "Depository")

Limited Partnership

29, avenue de Messine

75008 PARIS

A French credit institution approved by the ACPR (French prudential supervisory and resolution authority)

### Description of the Depository's duties:

Rothschild Martin Maurel performs the duties defined by the applicable Regulations, namely:

- Safekeeping of the assets of the SICAV;
- Verification of compliance of the Management Company's decisions,
- Monitoring of cash flows of UCITS.

The Depository is also responsible for managing the liabilities of the SICAV, which includes centralising its share subscription and redemption orders as well as managing the issue account and share registers of the SICAV.

### Supervision and management of conflicts of interest:

Rothschild Martin Maurel and the management company Rothschild & Co Asset Management Europe belong to the same Group, Rothschild & Co. In accordance with the applicable Regulations, they have put in place a policy and a procedure appropriate for their size, their organisation, and the nature of their activities in order to take reasonable measures intended to prevent conflicts of interests that could arise from this relationship.

### Delegate(s):

The Depository has delegated the safekeeping of foreign financial securities to the Custodian, The Bank of New York Mellon SA/NV (Belgium).

The list of entities used by Bank of New York Mellon SA/NV (Belgium) in the delegation of safekeeping duties and the information relating to conflicts of interest likely to result from such delegations are available at [www.rothschildandco.com/fr/wealth-management/rothschild-martin-maurel/informations-bancaires](http://www.rothschildandco.com/fr/wealth-management/rothschild-martin-maurel/informations-bancaires).

Updated information is made available to investors free of charge within eight working days on written request from the shareholder to the Depository.

**Principal Broker:** None

### **Statutory Auditor:**

Deloitte & Associés

6 Place de la Pyramide

92908 Paris La Défense Cedex

Signatory: Olivier GALIENNE

**Marketing agent:** Rothschild & Co Asset Management Europe.

Investors should be aware that not all of the marketing agents for the SICAV are necessarily contracted by the Management Company and that the Management Company is unable to establish an exhaustive list of the marketing agents because this list changes on an ongoing basis.



**Accounting sub-delegate (delegated by Rothschild & Co Asset Management Europe):**

CACEIS Fund Administration  
1-3, Place Valhubert  
75013 Paris

**Advisers:** None

**Directors:**

- **Pierre Lecce – Chairman of the Board of Directors – Chief Executive Officer**

Pierre Lecce - Manager of Rothschild & Co Asset Management Europe.

- **Vincent Rasclard – Director – Deputy Chief Executive Officer**

Vincent Rasclard holds the position of Marketing and Communications Director at Rothschild & Co Asset Management Europe

- **Charles-Henry Bladier – Director**

Charles-Henry Bladier holds the position of Private Banker at Rothschild Martin Maurel

- **Rothschild & Co Asset Management Europe – Administrator**

Represented by Pierre Baudard, duly authorised



### III. Management and operations

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#### Sub-fund No. 1: R-co Valor Balanced

➤ **General characteristics**

**ISIN code:**

C EUR share: FR0013367265  
D EUR share: FR0013367273  
F EUR share: FR0013367281  
P EUR share: FR0013367299  
PB EUR share: FR0013367315  
P USD share: FR0013367331  
P USD H share: FR0013367349  
R EUR share: FR0013367356

**Share characteristics:**

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the SICAV sub-fund in proportion to the number of shares held.

Management of liabilities: liabilities are managed by Rothschild Martin Maurel. Admission of the shares is done in Euroclear France.

Voting rights: each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.

Form of shares: bearer

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of December.

First closing: 31 December 2018

**Taxation:**

The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time are generally regarded as taxable.

➤ **Special provisions**

**Delegation of financial management:** None

**Investment objective:**

The R-co Valor Balanced sub-fund's investment objective is to seek capital growth over a recommended investment duration of between 3 and 5 years, through exposure to equity and fixed-income markets with a balanced profile implementing a discretionary asset allocation and by picking financial securities using financial analysis of the issuers.

**Benchmark:**

The R-co Valor Balanced sub-fund has no benchmark, as the management process is based on a selection of securities in application of fundamental criteria outside of any criterion of belonging to a market index.

In addition, considering the fact that the management team will favour the equity asset class or the fixed-income class depending on the market circumstances, reference to an index would not be representative.

The Sub-fund is managed actively on a discretionary basis. The Sub-fund is not managed in reference to a benchmark index.

This UCITS is not an index-linked UCITS.



## Investment strategy:

### a. Description of strategies used:

In order to achieve the investment objective, the sub-fund will invest half of its assets in Rothschild & Co Asset Management Europe's "Valor" strategy and the other half of its assets in Rothschild & Co Asset Management Europe's "Euro Crédit" strategy, as described below.

#### Description of the "Valor" strategy:

The "Valor" strategy's objective is to seek performance by implementing a discretionary management based especially on anticipating changes on different markets (equities, fixed-income) and on picking financial instruments using financial research of the issuers. The strategy implemented in order to pick the underlyings is based on the following criteria: lasting growth prospects, a weak competitive position (a virtual technical or commercial monopoly or dominant position), a clear understanding of the business of the company in question, and a reasonable price.

#### Description of the "Euro Crédit" strategy:

The "Euro Crédit" strategy searches for sources of added value across all the fixed-income management drivers. The strategies implemented are based on the positioning in terms of sensitivity on the rates curve and the allocation to various issuers. These strategies are defined following a geographic and sector allocation, the picking of issuers and issues. Allocation decisions are taken depending on the understanding of macro-economic trends, to which detailed analysis of sector and micro-economic issues are added.

These two strategies will be implemented in compliance with the following overall strategic allocation:

- Between 0% and 55% in equities of all market capitalisations, with the manager striving to expose a maximum of 50% of the sub-fund's assets to equities,
- Between 45% and 100% in fixed-income products,
- Between 0% and 10% in UCI units and/or shares.

#### Selection of underlying funds:

- o **For the equity component, the criteria for selecting securities are as follows:**

The management process for the sub-fund combines the Top-Down and Bottom-Up approaches, thus identifying two sources of added value:

- The sectoral allocation results from the analysis of the economic and financial environment.
- The selection of securities is based on a fundamental approach that involves two steps:
  - o A quantitative analysis to determine the attractiveness of valuation using ratios tailored to each industry (Enterprise Value/Capital Employed, Enterprise Value/Gross Operating Result, PER, etc.)
  - o A qualitative analysis based on understanding the competition and how profitability is constructed (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.).

- o **For the fixed-income component, the following four sources of added value are used for management:**

- 1) **Sensitivity:** The portfolio's sensitivity is increased if the manager anticipates a decline in interest rates and vice versa.
- 2) **Credit risk exposure:** The management process for the sub-fund combines the Top-Down and Bottom-Up approaches, thus identifying two sources of added value:
  - The sectoral and geographical allocation results from the analysis of the economic and financial environment. This analysis identifies the long-term risks and problems that influence the price formation. In particular, analyses of default histories and competition are examined.
  - The selection of securities is based on a fundamental approach that involves two steps:
    - o A quantitative analysis based on the probability of default:
      - by using a large amount of public data and statistics on each company,
      - by comparing these data to data of companies in the same economic sector,
      - by determining a theoretical valuation that compares favourably or unfavourably with the valuation given by the market.
    - o A qualitative analysis based on:
      - sustainability of the sector,
      - examination of competition,
      - understanding of the balance sheet,
      - understanding of the construction of profitability (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.),
      - understanding of debt schedules (balance sheet and off-balance sheet),
      - determination of the probability of intra-sector survival.



- 3) **Yield curve positioning:** Depending on the manager's expectations as to the flattening or steepening of the yield curve, securities with short and very long maturities shall be preferred to those with intermediate maturity or the reverse.
- 4) **Optional strategies:** depending on the manager's expectations about changes in the volatility and prices of the underlying instruments, the manager will need to sell or buy options on fixed-income markets.

The management company does not exclusively or automatically use credit ratings issued by rating agencies but undertakes its own in-depth analysis to assess the credit quality of fixed-rate instruments.

- o **For the UCITS and AIF component, the criterion for selecting securities is as follows:**

UCITS and AIF shall be selected according to a Top-Down approach depending on the asset classes. This selection shall be made mainly within the range of UCIs managed within the Rothschild & Co. group.

**b. Description of the classes of assets (excluding embedded derivatives) and financial contracts used:**

- **Equities:** 0-55% of net assets.

Within the holding range specified in the table below, the sub-fund will invest on one or more equity markets.

The sectoral and geographical distribution of issuers is not determined in advance and shall be determined according to market opportunities.

In any event, within the limit of the holding range specified below, the allocation of the equity segment (investment and/or exposure) is between 0% and 55% of the sub-fund's assets in all industrial sectors and all market capitalisations (with a maximum of 10% small caps and 55% equities of non-OECD countries, including emerging countries).

Nevertheless, the manager will strive to expose a maximum of 50% of the sub-fund's assets to equities.

- **Debt securities, money market instruments, and bonds (including convertible):** 45-100% of net assets.

Within the limit of the holding range specified below, the sub-fund shall invest in bonds, negotiable debt securities (in particular, short-term negotiable securities (including certificates of deposit and treasury notes issued before 31 May 2016), negotiable medium-term notes, and Euro Commercial Paper) of all maturities at fixed, variable, or adjustable rates, equity shares, index-linked bonds, bonds of quality equivalent to investment grade, and convertible bonds (up to 15% maximum). The sub-fund may also invest up to 50% of its assets in subordinated bonds, including a maximum of 20% in contingent convertible bonds.

The private/public debt distribution is not determined in advance and shall be determined based on market opportunities. In any event, the exposure to High-Yield bonds shall not exceed 15%. Investments in non-rated securities (excluding convertible bonds) can represent up to 10% of the sub-fund's assets.

Similarly, the sub-fund's exposure to bonds of non-OECD countries, including emerging countries, shall not exceed 10% of its assets.

- **Units or shares of UCITS or AIF:** 0-10% of net assets.

Within the holding range specified in the table below, the sub-fund may hold:

- units or shares of French or European UCITS funds governed by European directive 2009/65/EC;
- and/or units or shares of French or European AIFs or investment funds established on the basis of a foreign law, provided that the criteria set out in Article R. 214-13 of the French monetary and financial code are met.

Note: The sub-fund may hold units or shares of UCIs managed directly or by delegation or advised by the Rothschild & Co. Group.

- **For each of the classes mentioned above:**

	Equities	Fixed-income or convertible products	Units or shares of UCIs or investment funds
Holding ranges	0% - 55%	45% - 100 %	0% - 10 %
Investment in financial instruments of non-OECD countries, including emerging countries	0% - 55 %	0% - 10 %	0% - 10 %
Investment in small caps	0% - 10 %	None	0% - 10 %
Investment restrictions imposed by the Management Company	None	None	None



**c. Derivatives:**

The sub-fund may trade on regulated, organised, or OTC markets. The manager shall trade on equity, interest rate, credit, and currency risk. In order to achieve the investment objective, these trades shall be carried out for the purposes of portfolio hedging and/or exposure to reconstitute a synthetic exposure to assets. In particular, the manager may trade futures, options, swaps (TRS up to 10% of the sub-fund's net assets) and forwards, and credit derivatives (credit default swaps).

Option strategies: depending on the manager's expectations about changes in the volatility and prices of the underlying instruments, the manager will need to sell or buy options on equity, fixed-income, index, and currency markets. For example, if a sharp market increase is anticipated, the manager will be able to buy calls; if it appears that the market will grow slowly and that implied volatility is high, the manager will be able to sell puts. Conversely, if a significant market downturn is anticipated, the manager will buy puts. Lastly, if it appears that the market cannot grow any further, the manager will sell calls.

The manager may combine these various strategies.

The portfolio's overall equity market exposure, including exposure resulting from the use of financial futures, shall not exceed 55%. Nevertheless, the manager will strive to expose a maximum of 50% of the sub-fund's assets to equities.

The portfolio's overall fixed-income market exposure, including exposure resulting from the use of derivatives, will allow the portfolio's sensitivity to remain within a range of between 0 and 8.

The portfolio's overall currency risk exposure, including exposure resulting from the use of derivatives, shall not exceed 55%.

Total exposure to the equity markets, currency markets, or fixed-income markets, including exposure resulting from the use of derivatives, shall not exceed 200% of assets.

**Credit derivatives:**

The credit allocation is determined at the discretion of the manager.

The credit derivatives used are baskets of CDS and CDS on a single issuer.

These credit derivatives are used for hedging purposes through the purchase of protection:

- in order to limit the risk of capital loss on certain issuers (present in the portfolio)
- in order to benefit from the anticipated deterioration of the credit quality of an issuer or a basket of issuers not present in the portfolio greater than that of an exposure present in the portfolio
- and for exposure, through the sale of protection, to:
  - o the credit risk of an issuer
  - o the credit risk on baskets of CDS

As CDS could be used for credit risk exposure or hedging the portfolio's credit risk, the use of indexes to achieve this purpose could create transactions that, line by line, could be equated with arbitrage (hedging of the portfolio's overall credit risk by issuers, parent companies, subsidiaries or other entities not present in the portfolio).

The percentage of the sub-fund's assets corresponding to the use of credit derivatives is between 0% and 50%.

**Total Return Swaps:** In particular, up to a limit of 10% of its net assets, the sub-fund may use Total Return Swaps. The aim of these financial forwards is to trade on the performance of a security, a basket of securities, or an index.

Derivatives will be used primarily to:

- synthetically reconstruct the portfolio's exposure to the bond market;
- partially hedge the assets in the portfolio against interest rate and credit risk.

The sub-fund shall have no structured securitisation instruments in the portfolio.

Maximum proportion of assets under management that may be the subject of a Total Return Swap: 10% of net assets.

Expected proportion of assets under management that will be the subject of a Total Return Swap: 5% of net assets.

Information related to counterparties of over-the-counter derivatives:

Counterparties, which may or may not be a credit institution, shall be selected according to the procedure in force within the Rothschild & Co Group and on the basis of the principle of selectivity as part of an ad hoc internal process. The Management Company may regularly select the Depository as its counterparty for OTC exchange derivatives.

In particular, this involves:

- a validation of the counterparties at the end of this internal selection process, which takes into account criteria such as the nature of the activities, expertise, reputation, etc.
- a limited number of financial institutions with which the UCITS trades.



These counterparties have no discretionary decision-making power over the composition or management of the investment portfolio of the UCI, the underlying asset of the derivatives, and/or the composition of the index as part of index swaps.

**d. Securities with embedded derivatives:**

In order to achieve the sub-fund's investment objective, particularly in managing its exposure to the equity, currency, and fixed-income markets, the manager may trade on the warrants, autocall and indexed or structured EMTN markets and up to a maximum of 15% in convertible bonds for hedging and/or exposure purposes. The sub-fund can also invest up to 20% in contingent convertibles and up to 50% in callable and/or puttable, bonds as well as in securities with simple embedded derivatives that present the same types of risks as the above-mentioned instruments.

The portfolio's overall equity market exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 55%. Nevertheless, the manager will strive to expose a maximum of 50% of the sub-fund's assets to equities.

The portfolio's overall fixed-income exposure, including exposure resulting from the use of securities with embedded derivatives, will allow the portfolio's sensitivity to remain within a range of between 0 and 8.

The portfolio's overall currency risk exposure, including exposure resulting from the use of derivatives, shall not exceed 55%.

Total exposure to the equity markets, currency markets, or fixed-income markets, including exposure resulting from the use of derivatives, shall not exceed 200% of assets.

**e. Deposits:**

Within a limit of 15% of its assets, the sub-fund may resort to deposits in euros with a life less than or equal to three months so as to earn returns on the sub-fund's cash.

**f. Cash loans:**

Within a limit of 10% of its assets, the sub-fund may resort to loans, particularly in order to compensate for deferred payment methods for asset movements.

**g. Securities financing transactions:**

• General description of transactions:

○ Purpose of the transactions:

Securities financing transactions shall be carried out in accordance with the French monetary and financial code. They shall be conducted as part of cash management and/or optimisation of the sub-fund's income.

○ Type of transactions used:

These transactions shall consist of securities lending and borrowing and/or repurchase and reverse repurchase agreements, fixed-income products, or credit products (debt securities and money market instruments) from issuers of OECD member countries.

• General information for each type of transaction:

○ Level of intended use:

Securities financing transactions involving disposals (securities lending, repurchase agreements) and acquisitions (securities borrowing, reverse repurchase agreements) of securities may be carried out for up to 100% of the sub-fund's assets. The expected proportion of assets under management that will be the subject of such a transaction may represent 10% of the assets.

○ Remuneration:

Additional information about the remuneration is provided in the "Charges and fees" section.

• Information on the counterparties, collateral, and risks:

○ Collateral:

The collateral received as part of these transactions will be the subject of a discount according to the principle described in the "Information about the UCI's financial collateral" section. The Collateral shall be kept by the Custodian of the sub-fund's SICAV. For more information about collateral, refer to the "Information about the sub-fund's financial collateral" section.

○ Selection of Counterparties:

A procedure for selecting counterparties with which these transactions are entered into makes it possible to prevent the risk of a conflict of interest when these transactions are used. These counterparties shall be Credit Institutions having their registered office in a member State of the European Union and with a minimum rating of A. Additional information about the counterparty selection procedure is provided in the "Charges and fees" section.



- Risks: refer to the “Risk associated with implemented management” section and especially “counterparty risk”.

#### **Information about the financial collateral of the sub-fund:**

As part of securities financing transactions and transactions on OTC derivatives, the sub-fund may receive securities (such as bonds or securities issued or guaranteed by a State or issued by international lending agencies and bonds or securities issued by good quality private issuers) or cash as collateral. There is no correlation policy insofar as the sub-fund will receive mainly government securities of the eurozone and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility, diversified issuers that are not an entity of the counterparty or its group.

Discounts may be applied to the collateral received; they shall take into account, in particular, the credit quality and the volatility of the prices of the securities. The valuation is performed at least on a daily basis.

Financial collateral received must be able to give rise to a full execution by the sub-fund at any time and without consultation or approval of the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash must only be:

- placed in deposit accounts;
- invested in high-quality government bonds;
- used for the purposes of reverse repurchase agreement transactions, provided that these transactions are entered into with credit institutions subject to prudential supervision and that the sub-fund can, at any time, recall the total amount of cash, taking into account the accrued interest;
- invested in money market collective investment schemes.

#### **Risk profile:**

Your money shall be invested primarily in financial instruments selected by the management company. These instruments will be subject to market fluctuations and uncertainties.

Through the sub-fund, investors are exposed mainly to the following risks:

##### 1- Risk of capital loss:

There is a risk of capital loss, as the sub-fund does not incorporate any capital guarantee.

##### 2- Discretionary management risk:

The discretionary management style applied to the sub-fund is based on the anticipation of the evolution on various markets and/or on the selection of securities. There is the risk that the sub-fund will not always be invested in the best-performing markets or securities. The sub-fund's performance may therefore be less than the investment objective. The sub-fund's net asset value may also have a negative performance.

##### 3- Market risk:

Investors are exposed to market risk: up to 55% of the sub-fund may be exposed on one or more equity markets. Nevertheless, the manager will strive to expose a maximum of 50% of the sub-fund's assets to equities.

The sub-fund may experience:

- risk associated with investments in and/or exposure to equities,
- a risk associated with investments in small and mid-cap companies.

**Investors should be aware that small and mid-cap markets are intended to accommodate businesses that, because of their specific characteristics, may present risks for investments.**

Any downturn in the equity market may thus result in a reduction in the sub-fund's net asset value.

##### 4- Credit risk:

Risk of a deterioration of credit quality or default of an issuer present in the portfolio. As such, in the event of positive credit risk exposure, an increase in credit spreads may cause a reduction in the sub-fund's net asset value. Nevertheless, exposure to speculative securities shall not represent more than 15% of the portfolio, with non-rated securities (excluding convertible bonds) representing no more than 10% of the sub-fund.

##### 5- Interest rate risk:

Risk associated with investments in fixed-income products (sensitivity range of between 0 and 8). Thus, in the event of an increase in interest rates, the sub-fund's net asset value may decline.



6- Currency risk:

Shareholders may have a maximum currency risk exposure of 55%. Some of the assets are expressed in a currency other than the sub-fund's accounting currency. Changes in exchange rates may therefore cause the sub-fund's net asset value to decline.

7- Risk associated with the use of derivatives:

Investments planned in the use of derivatives in a market situation with a low liquidity could result in significant capital losses in the event that the sale of assets is necessary.

8- Counterparty risk:

The sub-fund may use securities financing transactions and/or over-the-counter derivatives (including total return swaps). These transactions, entered into with a counterparty, expose the sub-fund to a risk of the counterparty's default, which may cause the net asset value of the sub-fund to decline. Nevertheless, the counterparty risk may be limited by establishing guarantees granted to the sub-fund in accordance with the regulations in force.

9- Risk associated with securities financing transactions:

In addition to the counterparty risk previously mentioned, the use of these techniques, the management of their collateral, and collateral reuse involve certain specific risks such as the possibility of a lack of liquidity for any instrument, possible risks in relation with the legal documentation, the application of the contracts, and their limits, operational and custodial risks, a risk of incorrect valuation, and a counterparty risk. If use of these transactions proves to be inadequate, ineffective, or a failure due to market conditions, the sub-fund may suffer significant losses that will have a negative effect on the sub-fund's net asset value.

10- Specific risk associated with the use of complex subordinated bonds (contingent convertible bonds, also known as "CoCos"):

A debt is called subordinated when its repayment depends on the initial repayment of other creditors. As such, the subordinated creditor shall be repaid after the ordinary creditors, but before the shareholders. In consideration of this risk premium, the interest rate on this type of debt is higher than that of others. CoCos present specific risks associated with the possibility of cancellation or suspension of their coupon, total or partial reduction of their value, or their conversion into equities. These conditions may be triggered, in whole or in part, when the issuer's level of equity falls below the trigger threshold of the contingent convertible bond. The occurrence of any of these risks may result in a reduction in the sub-fund's net asset value.

11- Risk associated with exposure to non-OECD countries: up to a 65% maximum; the manner in which these markets operate and are supervised may differ from the standards that prevail in the major international markets.

12- Risks associated with collateral management:

The management of collateral received in the context of securities financing transactions and over-the-counter financial instruments (including total return swaps) may involve certain specific risks such as operational risks or custody risk. The use of such transactions may have a negative effect on the sub-fund's net asset value.

13- Legal risk:

The use of securities financing transactions and/or derivatives (including total return swaps (TRS)) may create a legal risk, associated with contract execution in particular.

**Guarantee or protection:** none.

**Eligible subscribers and typical investor profile:** All subscribers

Typical profile:

The sub-fund is intended for investors who would like to have a direct investment vehicle with a diversified allocation enabling them to be exposed to fixed-income products and/or equity products by implementing Rothschild & Co Asset Management Europe's Valor and Euro Crédit strategies, depending on market opportunities.

The amount that can be reasonably invested in this sub-fund depends on each investor's personal situation. To determine this amount, investors must consider their personal wealth, their current needs, and their needs over the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment. Investors are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this sub-fund.



**Recommended investment period:** between 3 and 5 years.

**Establishment and allocation of distributable amounts:**

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the sub-fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

- 1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;
- 2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be accumulated and/or paid out and/or retained, independently of each other, in whole or in part, according to the procedures described below.

Amounts available for distribution must be paid within a maximum period of five months from the year-end.

- C EUR, F EUR, P EUR, P USD, P USD H, and R EUR shares: accumulation shares.
- D EUR and PB EUR shares: distribution shares.

For accumulation shares: amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory payout by law.

For distribution shares: full payout of net income as defined in 1) above. With regard to the capital gains or losses defined in 2) above, accumulation (total or partial) and/or payout (total or partial) and/or retaining (total or partial) by decision of the Annual General Meeting.

**Frequency of payout:**

- C EUR, F EUR, P EUR, P USD, P USD H, and R EUR shares: amounts available for distribution shall be fully accumulated.
- D EUR and PB EUR: Annual on the decision of the Annual General Meeting with the possibility of an interim distribution on the decision of the Board of Directors.

**Share characteristics:**

Share name	ISIN code	Eligible subscribers	Allocation of amounts available for distribution	Currencies of issue	Initial value of the share	Minimum initial subscription*
C EUR	FR0013367265	All subscribers	Accumulation	Euro	€ 100	2,500 euros
D EUR	FR0013367273	All subscribers	Income	Euro	€ 100	2,500 euros
F EUR	FR0013367281	All subscribers	Accumulation	Euro	€ 100	1 share
P EUR	FR0013367299	See below**	Accumulation	Euro	€ 1,000	5,000 euros or 500,000 euros for institutional investors (division of the net asset value by 10 on 17 July 2020)
PB EUR	FR0013367315	See below**	Income	Euro	€ 1,000	5,000 euros or



						500,000 euros for institutional investors
P USD	FR0013367331	See below**	Accumulation	USD	USD 1,000	5,000 US dollars or 500,000 US dollars for institutional investors
P USD H	FR0013367349	See below**	Accumulation	USD***	USD 1,000	5,000 US dollars or 500,000 US dollars for institutional investors
R EUR	FR0013367356	All subscribers, specifically intended for foreign marketing networks	Accumulation	Euro	€ 10	100 euros

\* The Management Company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

\*\* Subscription for these shares is reserved for:

1) investors subscribing through distributors or intermediaries:

- subject to national laws prohibiting all retrocessions to distributors (for example, Great Britain and the Netherlands),

or

- providing
  - an independent advisory service within the meaning of the European MiFID 2 regulation
  - an individual discretionary portfolio management service

2) institutional investors whose minimum initial subscription amount is 500,000 euros for the P EUR and PB EUR shares and 500,000 US dollars for the P USD and P USD H shares.

\*\*\* These shares are systematically hedged against the currency risk of the sub-fund's reference currency.

Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

The sub-fund has eight share classes. These eight classes differ particularly from the point of view of their schemes for allocation of amounts available for distribution, their currency of issue, their management fees and subscription/redemption fees, their par value, and the distribution network(s) for which they are intended.

In addition, for each share class, the Management Company reserves the right to not activate it and therefore to delay its commercial launch.

#### **Subscription and redemption:**

Subscription and redemption requests are received and centralised each day at four pm (D-1) at Rothschild Martin Maurel and executed on the basis of the net asset value of the following business day (D). Settlements relating to subscriptions and redemptions take place on the second business day following execution (D+2).

Any shareholder may request the conversion of shares of one sub-fund or share class into another sub-fund or share class. A shareholder making such a request must comply with the redemption and subscription conditions relating to the quality of investors and with the minimum investment thresholds applicable to each of the sub-funds and/or share classes concerned.



Orders are executed in accordance with the table below:

D-1 business day	D-1 business day	D: day of NAV calculation	D+1 business day	D+2 business days	D+2 business days
Centralisation of subscription orders before 4 pm <sup>1</sup>	Centralisation of redemption orders before 4 pm <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

**Receipt of subscriptions and redemptions:** Rothschild Martin Maurel – 29, avenue de Messine - 75008 PARIS

**Determination of net asset value:**

The calculation of the net asset value is daily (D), with the exception of public holidays in France (Euronext official calendar), even if the reference stock exchange is open; in this case, it is calculated on the first business day before.

➤ **Charges and fees:**

• **Subscription and redemption fees:**

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or decrease the redemption price received. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund in investing or divesting the entrusted assets. Any fees not retained by the UCITS are paid to the management company, marketer, distributor, etc.

Fees payable by the investor, charged upon subscription or redemption	Base	Rate
Subscription fee not retained by the sub-fund	Net asset value * Number of shares	C EUR, D EUR, and F EUR shares, P EUR, PB EUR, P USD, and P USD H Maximum 2.50 % R EUR shares: None
Subscription fee retained by the sub-fund	Net asset value * Number of shares	None
Redemption fee not retained by the sub-fund	Net asset value * Number of shares	None
Redemption fee retained by the sub-fund	Net asset value * Number of shares	None

In the event of redemption followed by subscription, on the same day, on the same share class, and for the same amount on the basis of the same net asset value, no subscription and/or redemption fees shall be charged.

• **Operating and management charges**

These charges cover all costs billed directly to the sub-fund, with the exception of transaction costs. Transaction costs include intermediation charges (brokerage, etc.) and the activity fee, where applicable, which may be collected particularly by the Custodian and the Management Company.

The following may be added to the operating and management fees:

- performance fees. These reward the Management Company for achieving performance in excess of the sub-fund's objectives. They are charged to the sub-fund;
- activity fees charged to the sub-fund;

For more information on the charges actually billed to the sub-fund, refer to the Key Investor Information Document.



	Fees charged to the sub-fund	Base	Rate
1	Financial management fees	Net assets	C EUR and D EUR shares: Maximum 1.30 %, all taxes included F EUR shares: Maximum 1.65 %, all taxes included P EUR, PB EUR, P USD, and P USD H shares: Maximum 0.80 %, all taxes included R EUR shares: Maximum 2.15%, all taxes included
2	Administrative charges external to the Management Company		
3	Maximum indirect charges (management fees and charges)	Net assets	None
4	Transaction fees Custodian: between 0% and 50% Management Company: between 50% and 100%	Deduction from each transaction	0.44% on French and foreign equities 0.03% on French and foreign bonds €100 for any other transaction
5	Annual performance fees	Net assets	None.

Securities lending or borrowing is remunerated on a pro rata temporis basis according to a fixed or variable rate that depends on market conditions.

#### Securities financing transactions:

For its securities financing transactions involving the sale of securities, the sub-fund's service provider shall be one or more credit institutions having their head office in a Member State of the European Union. The service providers shall act independently of the sub-fund and shall systematically be counterparties of transactions on the market. These service providers shall belong to the Rothschild & Co Group or an entity of the group to which it belongs (hereinafter "Entity"). As such, the Entity's performance of the transactions may generate a potential conflict of interest.

No remuneration is retained by the Depository (as part of its custodian function) or the management company on securities financing transactions. All income from these transactions shall be fully collected by the sub-fund. These transactions generate costs borne by the sub-fund; the billing by the Entity may not exceed 50% of the income generated by these transactions.

In addition, the management company does not receive any soft commission.

Research-related expenses within the meaning of Article 314-21 of the AMF's General Regulation can be charged to the Sub-fund.

For any additional information, please refer to the SICAV's annual report.

#### Financial intermediary selection procedure

Each year, the financial intermediaries are selected by all the managers of the Management Company on the basis of a series of service quality criteria (quality of research, quality of stock market advice, quality of execution, quality of administrative processing of orders in the front office, etc.). An exhaustive list is drawn up and submitted to the Compliance Department, which validates it in terms of counterparty risk.



## Sub-fund No. 2: R-co THEMATIC REAL ESTATE

### ➤ **General characteristics**

#### **ISIN code:**

I2 share: FR0011885789

D share: FR0007474028

I share: FR0010680553

ID share: FR0011361062

C share: FR0007457890

F share: FR0011885797

S share: FR0010680546

CL share: FR0013293909

P share: FR0013293925

#### **Share characteristics:**

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the SICAV sub-fund in proportion to the number of shares held.

Management of liabilities: liabilities are managed by Rothschild Martin Maurel. Admission of the shares is done in Euroclear France.

Voting rights: each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.

Form of shares: bearer

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of December.

First closing: 31 December 2018

#### **Taxation:**

The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time are generally regarded as taxable.

### ➤ **Special provisions**

**Classification:** Equities of eurozone countries At least 60% of the UCI is exposed to eurozone equity markets.

**Delegation of financial management:** None

**Investment objective:** the objective of the R-co Thematic Real Estate sub-fund is to achieve a performance, after deduction of charges, in line with that of its benchmark index with volatility lower than the average of specialised funds on this sector by investing in equities of French companies in the real estate sector and European real estate companies over an investment period of five years or more.

#### **Benchmark:**

The benchmark is the IEIF Eurozone real estate index net coupons reinvested (Institut d'Epargne Immobilière et Foncière), a leader in analysis and information on real estate markets. IEIF is recognised for the transparency of its methodologies as well as for the neutrality and rigour of its studies. The index is administered by IEIF Indexes and is available at [www.ief-indexes.com](http://www.ief-indexes.com).

As of the date of the last update of this prospectus, the administrator of the benchmark index is not entered on the register of administrators and benchmark indexes maintained by the ESMA.

This indicator is only a reference, and management does not necessarily favour a precise level of correlation with it even if the profile of the index remains a factor of subsequent comparison.



In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company has a procedure for monitoring the benchmarks used describing the measures to be implemented in the event of substantial changes to an index or if that index ceases to be provided.

The benchmark index is used solely for comparison purposes. The manager may or may not invest in the stocks included in the benchmark index on a discretionary basis. The manager is thus free to choose the securities making up the portfolio, in line with the investment strategy and restrictions.

#### **Investment strategy:**

##### **a. Description of strategies used:**

The investment strategy is based on the identification of long-term trends that form real estate cycles.

This forward-looking principle is underpinned by an economic analysis that aggregates the various leading indicators of the market and allows the most appropriate vehicles to be selected.

The sub-fund may invest between 80% and 100% of its assets in equities. At least 80% of these equities concern French and eurozone shares.

A maximum of 20% of assets may be exposed to fixed-income products.

Exposure to currency risk, outside the Eurozone, may not exceed 10% of assets.

The investment criteria are based on indicators of asset growth, operating performance, valuation multiples, and interest rate hedging.

##### **b. Description of the classes of assets (excluding embedded derivatives) and financial contracts used:**

- **Equities:** 80-100% of net assets.

Within the limit of the holding range specified in the table below, the sub-fund shall invest on one or more of the markets of equities issued in one of the countries of the eurozone, including the French market.

Currency risk in foreign currencies may not exceed 10% of assets for an investor in the eurozone (such may be the case, for example, with securities of companies outside the eurozone, following a public exchange offer initiated by these companies).

In any event, within the limit of the range specified below, the sub-fund will invest in one or more equity markets of any market capitalisation size (including a maximum of 60% of net assets in small caps) issued in one or more countries of the eurozone.

- **Debt securities, money market instruments, and convertible and other bonds:** 0-20% of net assets.

Within the limit of the holding range specified in the table below, the sub-fund shall invest in bonds, negotiable debt securities (such as short-term negotiable securities (in particular certificates of deposit and treasury notes issued before 31 May 2016) and Euro Commercial Paper) issued in euros, of all maturities, at fixed, variable, or adjustable rates, equity shares, convertible bonds, or index-linked bonds, of all credit qualities or not rated (up to 10% in high-yield and/or non-rated bonds)

The management company does not exclusively or automatically use credit ratings issued by rating agencies but undertakes its own in-depth analysis to assess the credit quality of fixed-rate instruments.

The private/public debt distribution is not determined in advance and shall be determined based on market opportunities.

- **Units or shares of UCITS or AIF:** 0-10% of net assets.

Within the holding range specified in the table below, the sub-fund may hold:

- units or shares of French or European UCITS funds governed by European directive 2009/65/EC;
- and/or units or shares of French or European AIFs or investment funds established on the basis of a foreign law, provided that the criteria set out in Article R. 214-13 of the French monetary and financial code are met.

Note: The sub-fund may hold units or shares of UCIs managed directly or by delegation or advised by the Rothschild & Co. Group.



- **For each of the classes mentioned above:**

	Equities	Fixed-income or convertible products	Units or shares of UCIs or investment funds
Holding ranges	80-100 %	0-20 %	0-10 %
Investment in financial instruments of non-OECD countries	0-10%	None	0-10 %
Investment in small caps	0-60%	None	None
Investment restrictions imposed by the Management Company	None	None	None

**c. Derivatives:**

The sub-fund may invest only one asset at a time in regulated markets of eurozone countries to achieve the investment objective. For this purpose, the sub-fund may trade for exposure and/or equity risk hedging.

In particular, the manager may trade on the market of futures and options on equity or indexes.

The portfolio's overall equity market exposure, including exposure resulting from the use of derivatives, shall not exceed 100% of the sub-fund's assets.

Please note that the sub-fund will not use Total Return Swaps (TRS).

**d. Securities with embedded derivatives:**

The use of securities with embedded derivatives is limited to 20% of net assets (warrants, autocall, convertible bonds, as well as securities with simple embedded derivatives that present the same types of risks as the above-mentioned instruments) in order to achieve the investment objective, particularly in managing its equity and fixed-income market exposure.

The portfolio's overall equity market exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 100%. The portfolio's overall fixed-income market exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 20%.

The sub-fund will not use contingent convertible bonds.

**e. Deposits: None**

**f. Cash loans: Within a limit of 10% of its assets, the sub-fund may resort to loans, particularly in order to compensate for deferred payment methods for asset movements.**

**g. Securities financing transactions: None**

**Risk profile:**

Your money shall be invested primarily in financial instruments selected by the management company. These instruments will be subject to market fluctuations and uncertainties.

Through the sub-fund, investors are exposed mainly to the following risks:

1- Risk of capital loss:

There is a risk of capital loss, as the sub-fund does not incorporate any capital guarantee.

2- Discretionary management risk:

The discretionary management style applied to the fund is based on the anticipation of the evolution on various markets and/or on the selection of securities. There is the risk that the sub-fund will not always be invested in the best-performing markets or securities. The sub-fund's performance may therefore be less than the investment objective. The sub-fund's net asset value may also have a negative performance.

3- Market risk:

The main risk to which investors are exposed is market risk, given that up to 100% of the sub-fund may be exposed to one or more equity markets.

The sub-fund may experience:

- risk associated with investments in and/or exposure to equities,
- a risk associated with investments in small and mid-cap companies.



**Investors should be aware that small and mid-cap markets are intended to accommodate businesses that, because of their specific characteristics, may present risks for investments. liquidity risk associated with investments in small and mid-cap companies.**

Any downturn in the equity market may thus result in a reduction in the sub-fund's net asset value.

4- Sectoral risk:

Given that it invests in a specialised sector, the sub-fund may be subject to greater risk (and volatility) than investments done within a wider range of securities covering several sectors.

5- Credit risk:

Risk of a deterioration of credit quality or default of an issuer present in the portfolio. As such, in the event of positive credit risk exposure, an increase in credit spreads may cause a reduction in the sub-fund's net asset value. Nevertheless, exposure to speculative and/or non-rated securities shall not represent more than 10% of the portfolio.

6- Interest rate risk:

Risk associated with investments in fixed-income products. Thus, in the event of an increase in interest rates, the sub-fund's net asset value may decline.

7- Currency risk:

The unitholder may be exposed to currency risk up to a maximum of 10 %. Some of the assets are expressed in a currency other than the sub-fund's accounting currency. Changes in exchange rates may therefore cause the sub-fund's net asset value to decline.

8- Risk associated with the use of derivatives:

Investments planned in the use of derivatives in a market situation with a low liquidity could result in significant capital losses in the event that the sale of assets is necessary.

**Guarantee or protection:** none.

**Eligible subscribers and typical investor profile:** All subscribers

*Typical profile:*

The sub-fund is intended for investors who are primarily seeking exposure in the eurozone equity markets. The amount that can be reasonably invested in this sub-fund depends on each unitholder's personal situation. To determine this amount, investors must consider their personal wealth, their current needs, and their needs over the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment. Investors are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this sub-fund.

**Recommended investment period:** 5 years or more.

**Establishment and allocation of distributable amounts:**

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the sub-fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

- 1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;
- 2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be accumulated and/or paid out and/or retained, independently of each other, in whole or in part, according to the procedures described below.

Amounts available for distribution must be paid within a maximum period of five months from the year-end.

- C, I, I2, F, CL and P shares: accumulation shares
- D, ID, S shares: distribution shares



For accumulation shares: amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory payout by law.

For distribution shares: full payout of net income as defined in 1) above. With regard to the capital gains or losses defined in 2) above, accumulation (total or partial) and/or payout (total or partial) and/or retaining (total or partial) by decision of the Annual General Meeting.

**Frequency of payout:**

- C, I, I2, F, CL and P: amounts available for distribution are fully accumulated.
- D, ID and S: Annual on the decision of the Annual General Meeting with the possibility of an interim distribution on the decision of the Board of Directors.

**Share characteristics:**

Share name	ISIN code	Eligible subscribers	Allocation of amounts available for distribution	Currencies of issue	Initial value of the share	Minimum initial subscription*
D	FR0007474028	All subscribers	Income	Euro	€ 152.45	5 shares
C	FR0007457890	All subscribers	Accumulation	Euro	€ 152.45	5 shares
I	FR0010680553	Institutional	Accumulation	Euro	€ 100,000	€ 1,000,000
ID	FR0011361062	Institutional	Income	Euro	€ 100,000	€ 1,000,000
S	FR0010680546	Charity share intended for investors of any kind wishing to contribute a portion of the sub-fund's distributable income to a public-interest utility. Each year, half of the distributable income from S shares is contributed to Fondation des Petits Frères des Pauvres (a public-interest foundation), and half is paid to the shareholders.	Income	Euro	€ 1,000.00	1 share
I2	FR0011885789	All subscribers	Accumulation	Euro	€ 100	1 share
F	FR0011885797	All subscribers	Accumulation	Euro	€ 100	1 share
CL	FR0013293909	See below**	Accumulation	Euro	Initial NAV: equal to the NAV of the C share on the day when the CL share is created	1 share or €500,000 for institutional investors
P	FR0013293925	See below**	Accumulation	Euro	€ 100	1 share or €500,000 for institutional investors



\* The Management Company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

\*\* Subscription for these shares is reserved for:

1) investors subscribing through distributors or intermediaries:

- subject to national laws prohibiting all retrocessions to distributors (for example, Great Britain and the Netherlands),

or

- providing
  - an independent advisory service within the meaning of the European MiFID 2 regulation
  - an individual discretionary portfolio management service

2) institutional investors whose minimum initial subscription amount is 500,000 euros.

Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

The sub-fund has nine share classes. These nine classes differ particularly from the point of view of their schemes for allocation of amounts available for distribution, their currency of issue, their management fees and subscription/redemption fees, their par value, and the distribution network(s) for which they are intended.

In addition, for each share class, the Management Company reserves the right to not activate it and therefore to delay its commercial launch.

### **Subscription and redemption:**

Subscription and redemption requests are received and centralised each day at twelve (12) pm at Rothschild Martin Maurel and executed on the basis of the next net asset value. However, if the official closing time of the Paris stock exchange is made earlier on an exceptional basis, the subscription and redemption order centralisation time will be changed to 11 am instead of 12 pm.

Settlements relating to subscriptions and redemptions occur on the second business day following (D+2).

Any shareholder may request the conversion of shares of one sub-fund or share class into another sub-fund or share class. A shareholder making such a request must comply with the redemption and subscription conditions relating to the quality of investors and with the minimum investment thresholds applicable to each of the sub-funds and/or share classes concerned.

Orders are executed in accordance with the table below:

D	D	D: day of NAV calculation	D+1 business day	D+2 business days	D+2 business days
Centralisation of subscription orders before 12 pm <sup>1</sup>	Centralisation of redemption orders before 12 pm <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

**Receipt of subscriptions and redemptions:** Rothschild Martin Maurel – 29, avenue de Messine - 75008 PARIS

### **Determination of net asset value:**

The calculation of the net asset value is daily (D), with the exception of public holidays in France (Euronext official calendar), even if the reference stock exchange is open; in this case, it is calculated on the first business day before.

#### ➤ **Charges and fees:**

##### • **Subscription and redemption fees:**

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or decrease the redemption price received. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund in investing or divesting the entrusted assets. Any fees not retained by the UCITS are paid to the management company, marketer, distributor, etc.



Fees payable by the investor, charged upon subscription or redemption	Base	Rate
Subscription fee not retained by the sub-fund	Net asset value * Number of shares	C, CL, D, P, I, ID, and S shares: Maximum 4.00 % I2 shares: Maximum 5.00 % F shares: Maximum 2.50 % Subscriptions done by contribution of securities are exempt from entry fees
Subscription fee retained by the sub-fund	Net asset value * Number of shares	None
Redemption fee not retained by the sub-fund	Net asset value * Number of shares	None
Redemption fee retained by the sub-fund	Net asset value * Number of shares	None

In the event of redemption followed by subscription, on the same day, on the same share class, and for the same amount on the basis of the same net asset value, no subscription and/or redemption fees shall be charged.

- **Operating and management charges**

These charges cover all costs billed directly to the sub-fund, with the exception of transaction costs. Transaction costs include intermediation charges (brokerage, etc.) and the activity fee, where applicable, which may be collected particularly by the Custodian and the Management Company.

The following may be added to the operating and management fees:

- performance fees. These reward the Management Company for achieving performance in excess of the sub-fund's objectives. They are charged to the sub-fund;
- activity fees charged to the sub-fund;

For more information on the charges actually billed to the sub-fund, refer to the Key Investor Information Document.

	Fees charged to the sub-fund	Base	Rate
1	Financial management fees	Net assets	D, C, and S shares: Maximum 1.50%, all taxes included I2, I, and ID shares: Maximum 0.75%, all taxes included F share: Maximum 2.10 %, all taxes included CL share: Maximum 1.25%, all taxes included P share: Maximum 0.95%, all taxes included
2	Administrative charges external to the Management Company		Each year, the Management Company shall donate 50% of the management fees that it collects on the S unit to Fondation des Petits Frères des Pauvres (a public-interest foundation)
3	Maximum indirect charges (management fees and charges)	Net assets	None
4	Transaction fees Custodian: between 0% and 50%	Deduction from each transaction	0.50% all taxes included



	Management Company: between 50% and 100%		
5	Annual performance fees	Net assets	With effect from 1 January 2019, the method of calculation of the performance fees shall be as follows: for the D, C and P shares: 15% of the outperformance of the sub-fund relative to its benchmark (the IEIF Eurozone net coupons reinvested). CL, I, I2, ID, F, and S shares: None.

#### Performance fee:

With effect from 1 January 2019, the method of calculation of the performance fees shall be as follows:

The performance fee is calculated on a maximum history of three years by comparing the evolution of the sub-fund's assets (coupon reinvested and excluding variable management fees) with the assets of a reference sub-fund:

- the starting value of which is that of the sub-fund's assets (i) at the closing of the previous financial year if performance fees were deducted at this closing or, failing that, (ii) at the closing of the most recent financial year having given rise to the deduction of a performance fee over the last three financial years if performance fees were deducted for one of these financial years or, failing that, (iii) at the closing of the third financial year preceding if no performance fees were deducted for the past two financial years (iv) or, failing that, on 1 January 2018.

- and which yields a daily performance equal to that of the benchmark recording the same variations in subscriptions and redemptions as the sub-fund.

If, at the closing of the financial year, the sub-fund's assets (excluding variable management fees) are greater than the assets of the reference sub-fund with the above starting value, then a performance fee equal to 15% including taxes of the valuation difference between the sub-fund's assets and the reference fund is deducted.

A provision for these fees is set aside at each calculation of the net asset value and actually collected each year on the closing date of the financial year.

The provision shall be written back each time the difference between the two asset values decreases. In the event of underperformance (the sub-fund's assets are less than the reference fund's assets), the provisions shall be written back until the overall allocation is depleted, excluding any accrued variable management fees.

Any provisions existing at the end of the financial year and the share of the commission coming from share redemptions during the financial year shall be paid to the Management Company.

Securities lending or borrowing is remunerated on a pro rata temporis basis according to a fixed or variable rate that depends on market conditions.

Research-related expenses within the meaning of Article 314-21 of the AMF's General Regulation can be charged to the sub-fund.

#### Financial intermediary selection procedure

Each year, the financial intermediaries are selected by all the managers of the Management Company on the basis of a series of service quality criteria (quality of research, quality of stock market advice, quality of execution, quality of administrative processing of orders in the front office, etc.). An exhaustive list is drawn up and submitted to the Compliance Department, which validates it in terms of counterparty risk.



Sub-fund No. 3: R-co THEMATIC GOLD MINING

➤ **General characteristics**

**ISIN code:**

C share: FR0007001581

**Share characteristics:**

Type of right attached to the share class: The rights of owners are expressed in shares, each share corresponding to a fraction of the SICAV sub-fund's assets. Each shareholder is entitled to ownership of the assets of the SICAV sub-fund in proportion to the number of shares held.

Management of liabilities: liabilities are managed by Rothschild Martin Maurel. Admission of the shares is ensured in Euroclear France.

Voting rights: Each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.

Form of shares: bearer

Fractional units: Sub-fund shares are not broken down into fractional shares but may be by decision of the SICAV's board of directors.

The share is denominated in euros.

**Closing date:**

Last trading day of December

First closing: 31 December 2018

**Taxation:**

The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time will generally be regarded as taxable.

➤ **Special provisions**

**Classification:** International equities. At least 60% of the UCI is exposed to international equity markets.

**Delegation of financial management:** None

**Investment objective:** the objective of the R-co THEMATIC GOLD MINING sub-fund is to outperform its benchmark (FT GOLD MINES converted into euros and dividends reinvested), after deduction of charges, over the recommended investment period of five years or more by investing and/or exposing at least 60% of its assets in and/or to the shares of companies associated with the rare and precious metals sector.

**Benchmark:**

The benchmark is FT GOLD MINES (converted into euros and dividends reinvested).

The FT GOLD MINES is an index calculated by Financial Times Limited and weighted by the market capitalisation of the 32 largest gold-mining groups in the world. The listing currency is the USD. The indicator is administered by FTSE MTS and is available at [www.ft.com](http://www.ft.com)

As at the date of the last update of this prospectus, the administrator of the benchmark index is still not entered on the register of administrators and benchmark indexes maintained by the European Securities and Markets Authority (ESMA).

In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company has a procedure for monitoring the benchmarks used describing the measures to be implemented in the event of substantial changes to an index or if that index ceases to be provided.

The objective of the sub-fund is to outperform its benchmark, the FT GOLD MINES (converted into euros and dividends reinvested), over the recommended investment period. The asset mix of this sub-fund may differ significantly from the composition of the benchmark index.

**Investment strategies:**



### a. Description of strategies used

The portfolio's global strategic allocation is as follows:

In order to achieve the investment objective, at least 60% of the R-co THEMATIC GOLD MINING portfolio is invested in and/or exposed to equities, preferred shares, American Depositary Receipts (ADRs) or European Depositary Receipts (EDRs) of companies associated with the rare and precious metals sector. The R-co THEMATIC GOLD MINING portfolio can be invested in any geographical area.

The remainder of the sub-fund's portfolio can be invested in fixed-income products and UCIs or investment funds.

The discretionary management of the sub-fund's assets takes place as follows:

- between 60% and 100% invested in one or more markets of shares of any capitalisation, issued in one or more countries from any region by companies associated with the rare and precious metals sector.
- between 0% and 40% invested in fixed-income or convertible products issued by States or private issuers, whether Investment Grade or not. High-yield fixed-income products shall not represent more than 10% of the assets. These investments in fixed-income products are aimed at managing the cash flow of the sub-fund pending an opportunity to invest in equities.
- between 0% and 10% in units or shares of UCIs, particularly those in the precious metals sector.

The sub-fund may also use derivatives traded on French and foreign regulated or OTC markets (interest rate and fixed-income/equity index swaps, currencies, forward exchanges, futures and options markets on equities or indexes) in order to achieve its investment objective (notably by managing its exposure to the equity market). To do this, the sub-fund shall hedge the portfolio and/or expose it to the fixed-income, equity, and currency markets or to fixed-income and equity indexes. The portfolio's consolidated equity market exposure, including any off-balance-sheet exposure, shall not exceed 110%.

Up to 100% of the sub-fund's assets may be exposed to non-OECD countries, including emerging countries.

Up to 100% of the sub-fund's assets may also be exposed to currency risk.

Criteria for selecting securities:

The sub-fund targets the big names from the gold sector, the mining companies that can guarantee competitive production costs and a consistent cash flow, according to analysis by the Management Company. In view of the reorganisation of the sector, the investment universe has expanded to include medium-sized companies with coherent growth plans and strong potential in countries that the Management Company deems to have a stable political outlook.

The Management Company's choices also depend considerably on the quality of the management teams and the geologists. There is automatically a premium on projects with well-founded financing plans.

### b. Description of the asset classes (excluding embedded derivatives):

All asset classes included in the composition of the assets of the sub-fund are:

- **Equities:** 60-100% of net assets.

Within the range set out in the table below, the sub-fund's portfolio comprises equities, preferred shares, American Depositary receipts (ADRs) and European Depositary Receipts (EDRs) of companies associated with the rare and precious metals sector. These companies involved in extracting and processing minerals are selected from foreign markets such as North America, Australia and South Africa. The portfolio is based mainly on the major international mines.

In any event, within the limit of the range specified below, the allocation of the equity pocket is between 60% and 100% of the sub-funds' assets in one or more markets of equities of companies related to the rare and precious metals sector of any market capitalisation, issued in one or more countries from any region, but particularly from North America, Australia and South Africa.

- **Debt securities, money market instruments, and bonds:** 0-40% of net assets.

Within the range set out in the table below, the sub-fund shall invest in fixed-income or convertible products, negotiable debt securities, such as short-term negotiable securities (including certificates of deposit and treasury notes issued before 31 May 2016), and Euro Commercial Paper. Investments shall be made in investment grade or non-Investment Grade securities. High-yield fixed-income products shall not represent more than 10% of the assets. These investments in fixed-income products correspond to a primary objective of cash management and a secondary objective of diversification through investments in convertible bonds. The private/public debt distribution is not determined in advance and shall be determined based on market opportunities. The Management Company does not exclusively or automatically use credit ratings issued by rating agencies but undertakes its own in-depth analysis to assess the credit quality of fixed-rate instruments.



- **Holding of shares or units in other UCITS, AIFs or investment funds:** 0-10% of net assets.

Within the holding range specified below, the sub-fund may hold:

- units or shares of French or European UCITS funds governed by European directive 2009/65/EC;
- units or shares of French or European AIFs or investment funds established on the basis of a foreign law, provided that the criteria set out in Article R. 214-13 of the French monetary and financial code are met.

Note : The sub-fund can invest its assets in UCITS, AIFs or investment funds managed by the Rothschild & Co. group.

The main aim of these investments is to invest cash in and expose the portfolio to UCIs specialising in the rare and precious metals sector.

- **For each of the classes mentioned above:**

	Equities	Fixed-income or convertible products	Units or shares of UCIs or investment funds
Holding ranges	60-100 %	0-40 %	0-10 %
Investment in financial instruments of non-OECD countries	0-100 %	0-40 %	0-10 %
Investment restrictions imposed by the Management Company	None	None	None

#### c. Derivatives:

The sub-fund may trade on regulated, organised, or OTC markets.

The manager shall trade on equity, interest rate and currency risk for exposure and/or hedging purposes. These trades will be carried out in order to achieve the investment objective, particularly in terms of managing exposure to the equity market. To do this, the manager shall hedge the portfolio and/or expose it to the fixed-income, equity, and currency markets or to fixed-income and equity indexes. The portfolio's consolidated equity market exposure, including exposure resulting from the use of derivatives, shall not exceed 110 %.

The portfolio's consolidated fixed-income market exposure, including exposure resulting from the use of derivatives, will allow the portfolio's sensitivity to remain within a range of between -1 and 9. The shareholder may be exposed to a currency risk of up to 100% of the sub-fund's assets.

Please note that the sub-fund will not use the Total Return Swap (TRS).

In particular, the manager may trade on the interest rate, index (fixed income and equities) and currency swaps and forward forex markets and on futures and options on equities or indexes (fixed income and equities).

#### d. Securities with embedded derivatives:

The use of securities with embedded derivatives is limited to 40% of net assets (warrants, autocall, structured EMTNs, convertible bonds, contingent convertible bonds, callable or puttable bonds, as well as securities with simple embedded derivatives that present the same types of risks as the above-mentioned instruments) in order to achieve the fund's investment objective, particularly in managing its equity and fixed-income market exposure.

The portfolio's consolidated equity market exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 110 %.

The portfolio's consolidated fixed-income market exposure, including exposure resulting from the use of securities with embedded derivatives, will allow the portfolio's sensitivity to remain within a range of between -1 and 9.

The portfolio's consolidated equity currency risk exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 100%.

#### e. Deposits:

The sub-fund may invest up to 10% of its assets in Euro deposits with a life less than or equal to three months so as to earn returns on the sub-fund's liquidity.



**f. Cash loans:**

Within a limit of 10% of its assets, the sub-fund may resort to loans, particularly in order to compensate for deferred payment methods for asset movements.

**g. Securities financing transactions:**

✓ General description of transactions:

▪ Purpose of the transactions:

Securities financing transactions shall be carried out in accordance with the French monetary and financial code. They shall be conducted as part of cash management and/or optimisation of the sub-fund's income.

▪ Type of transactions used:

These transactions shall consist of securities lending and borrowing and/or repurchase and reverse repurchase agreements, fixed-income products, or credit products (debt securities and money market instruments) from issuers of OECD member countries.

✓ General information for each type of transaction:

▪ Level of intended use:

Securities financing transactions involving disposals (securities lending, repurchase agreements) and acquisitions (securities borrowing, reverse repurchase agreements) of securities may be carried out for up to 100% of the sub-fund's assets. The expected proportion of assets under management that will be the subject of such a transaction may represent 10% of the assets.

▪ Remuneration:

Additional information about the remuneration is provided in the "Charges and fees" section.

✓ Information about counterparties, collateral and risks:

▪ Collateral:

Collateral received as part of these transactions shall be the subject of a discount according to the principle described in the "Information about the financial collateral of the sub-fund" section. The Collateral shall be kept by the custodian of the SICAV. For more information about collateral, refer to the "Information about the sub-fund's financial collateral" section.

▪ Selection of counterparties:

A procedure for selecting counterparties with which these transactions are entered into makes it possible to prevent the risk of a conflict of interest when these transactions are used. These counterparties shall be Credit Institutions having their registered office in a member State of the European Union and with a minimum rating of A. Additional information about the counterparty selection procedure is provided in the "Charges and fees" section.

▪ Risks: refer to the "Risk profile" section.

**Information about the financial collateral of the sub-fund:**

As part of securities financing transactions and transactions on OTC derivatives, the sub-fund may receive securities (such as bonds or securities issued or guaranteed by a State or issued by international lending agencies and bonds or securities issued by good quality private issuers) or cash as collateral. There is no correlation policy insofar as the sub-fund will receive mainly government securities of the eurozone and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility, diversified issuers that are not an entity of the counterparty or its group.

Discounts may be applied to the collateral received; they shall take into account, in particular, the credit quality and the volatility of the prices of the securities. The valuation is performed at least on a daily basis.

Financial collateral received must be able to give rise to a full execution by the sub-fund at any time and without consultation or approval of the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash must only be:

- placed in deposit accounts;
- invested in high-quality government bonds;



- used for the purposes of reverse repurchase agreement transactions, provided that these transactions are entered into with credit institutions subject to prudential supervision and that the sub-fund can, at any time, recall the total amount of cash, taking into account the accrued interest;
- invested in money market collective investment schemes.

#### **h. Risk profile:**

Your money shall be invested primarily in financial instruments selected by the management company. These instruments will be subject to market fluctuations and uncertainties.

Through the sub-fund, investors are exposed mainly to the following risks:

##### 1- Risk of capital loss:

There is a risk of capital loss, as the sub-fund does not incorporate any capital guarantee.

##### 2- Discretionary management risk:

The discretionary management style applied to the fund is based on the anticipation of the evolution on various markets and/or on the selection of securities. There is the risk that the sub-fund will not always be invested in the best-performing markets or securities. The sub-fund's performance may therefore be less than the investment objective. The sub-fund's net asset value may also have a negative performance.

##### 3- Market risk:

The main risk to which the investor is exposed is market risk, as more than 60% of the sub-fund is continuously exposed to one or more markets of equities issued in one or more countries of any region, but particularly North America, Australia and South Africa.

The sub-fund may experience:

- a. risk associated with investments in and/or exposure to equities,
- b. a risk associated with investments in small-cap companies,

**Investors should be aware that small-cap markets are intended to accommodate businesses that, because of their specific characteristics, may present risks for investments.**

- c. a risk associated with direct investments on non-OECD markets,

**Investors should note that the operating and supervision conditions of the markets on which the sub-fund will trade (non-OECD markets) may differ from the standards prevailing on the major international markets**

- d. liquidity risk associated with investments in small-cap companies.

Any downturn in the equity market may thus result in a reduction in the sub-fund's net asset value.

##### 4- Currency risk:

The unitholder may be exposed to currency risk up to a maximum of 100 %. Some of the assets are expressed in a currency other than the sub-fund's accounting currency. Changes in exchange rates may therefore cause the sub-fund's net asset value to decline.

##### 5- Interest rate risk:

Risk associated with investments in fixed-income products. Thus, in the event of an increase in interest rates, the sub-fund's net asset value may decline. This investment is limited to 40% of assets.

##### 6- Credit risk:

Risk of a deterioration of credit quality or default of an issuer present in the portfolio. As such, in the event of positive credit risk exposure, an increase in credit spreads may cause a reduction in the sub-fund's net asset value.

**Investors are reminded that high-yield debt securities (up to 10% of net assets) present a greater credit risk, which may lead to a greater reduction in the sub-fund's net asset value.**

##### 7- Counterparty risk:

The sub-fund may use securities financing transactions and/or derivative instruments. These transactions, entered into with a counterparty, expose the sub-fund to a risk of the counterparty's default, which may cause the net asset value of the sub-fund to decline. Nevertheless, the counterparty risk may be limited by establishing guarantees granted to the sub-fund in accordance with the regulations in force.

##### 8- Risks associated with securities financing transactions:

In addition to the counterparty risk previously mentioned, the use of these techniques, the management of their collateral, and collateral reuse involve certain specific risks such as the possibility of a lack of liquidity for any instrument, possible risks in relation with the legal documentation, the application of the contracts, and their limits, operational and custodial



risks, a risk of incorrect valuation, and a counterparty risk. If use of these transactions proves to be inadequate, ineffective, or a failure due to market conditions, the sub-fund may suffer significant losses that will have a negative effect on the sub-fund's net asset value.

**Guarantee or protection:** None

The sub-fund is governed by the laws and regulations applicable to undertakings for collective investment. The principal rights and obligations of the unitholders are indicated in the regulatory documentation applicable to the sub-fund.

Any dispute associated with investment in the sub-fund shall be subject to French law and the jurisdiction of the French courts.

**Target investors and typical investor profile:** All subscribers

Typical profile:

The sub-fund is targeted at investors wishing to be exposed mainly to the shares of companies associated with the rare and precious metals sector in any region, but particularly in North America, Australia and South Africa.

The amount that can be reasonably invested in this sub-fund depends on each shareholder's personal situation. To determine this amount, unitholders must consider their personal wealth, their current needs, and their needs over the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment. Investors are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this sub-fund.

**Recommended investment period:** 5 years or more.

**Establishment and allocation of income:**

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the sub-fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;  
2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be distributed independently of each other, in whole or in part, according to the procedures described below.

- This is an accumulation sub-fund.

**Share characteristics:**

Share name	ISIN code	Target subscribers	Allocation of amounts available for distribution	Currency of issue	Initial value of the share	Minimum initial subscription
C	FR0007001581	All subscribers	Accumulation	Euro	€ 152.44	1 share

**Subscription and redemption:**

Subscription and redemption requests are centralised each day at Rothschild Martin Maurel at eleven (11) am and executed on the basis of the next net asset value. Settlements relating to subscriptions and redemptions occur on the second business day following (D+2). However, if the official closing time of the Paris stock exchange is made earlier on an exceptional basis, the subscription and redemption order centralisation time will be changed to 10 am instead of 11 am.

Amount of initial subscription: 1 share

Initial NAV: 152.44 euros



Any shareholder may request the conversion of shares of one sub-fund or share class into another sub-fund or share class. A shareholder making such a request must comply with the redemption and subscription conditions relating to the quality of investors and with the minimum investment thresholds applicable to each of the sub-funds and/or share classes concerned.

Orders are executed in accordance with the table below:

D	D	D: day of NAV calculation	D+1 business day	D+2 business days	D+2 business days
Centralisation of subscription orders before 11 am <sup>1</sup>	Centralisation of redemption orders before 11 am <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

**Receipt of subscriptions and redemptions:** Rothschild Martin Maurel – 29, avenue de Messine - 75008 PARIS

**Determination of net asset value:**

The calculation of the net asset value is daily (D), with the exception of public holidays in France (Euronext official calendar), even if the reference stock exchange is open; in this case, it is calculated on the first business day before.

➤ **Fees and expenses**

• **Subscription and redemption fees**

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or decrease the redemption price received. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund in investing or divesting the entrusted assets. Any fees not retained by the UCITS are paid to the management company, marketer, distributor, etc.

<b>Fees charged to the investor, deducted at the time of subscriptions and redemptions</b>	<b>Base</b>	<b>Rate Scale</b>
Subscription fee not retained by the sub-fund	Net asset value * number of shares	1% maximum
Subscription fee retained by the sub-fund	Net asset value * number of shares	None
Redemption fee not retained by the sub-fund	Net asset value * number of shares	1% maximum
Redemption fee retained by the sub-fund	Net asset value * number of shares	None

In the event of redemption followed by subscription, on the same day, on the same share class, and for the same amount on the basis of the same net asset value, no subscription and/or redemption fees shall be charged.

• **Operating and management charges**

These charges cover all costs billed directly to the sub-fund, with the exception of transaction costs. Transaction costs include intermediation charges (brokerage, etc.) and the activity fee, where applicable, which may be collected particularly by the Custodian and the Management Company.

The following may be added to the operating and management fees:

- performance fees. These reward the Management Company for achieving performance in excess of the sub-fund's objectives. They are charged to the sub-fund;
- activity fees charged to the sub-fund;
- a share of the income from securities financing transactions.



For more information on the charges actually billed to the sub-fund, please refer to its annual report:

	<b>Fees charged to the sub-fund</b>	<b>Base</b>	<b>Rate Scale</b>
1	Financial management fees	Net assets	C share: 2.39 % maximum
2	Administrative charges external to the Management Company		
3	<u>Maximum indirect fees:</u> - <u>management fees</u>  - <u>other fees:</u> - subscription:  - redemption:	Net assets	Not Applicable
4	<u>Service providers collecting transaction fees:</u> Custodian: between 0% and 50%  Management Company: between 50% and 100%	Deduction from each transaction	0.18% on French and foreign bonds 0.84% on French shares 1.05% on foreign shares 2% of the premium on options on equities and equity indexes
5	Performance fee	Net assets	20% of the sub-fund's positive annual net returns in excess of its benchmark (FT GOLD MINES translated into euros with dividends reinvested) (see calculation methods below)

#### Performance fee:

The calculation period for the performance fee is the sub-fund's financial year. At each calculation of the net asset value, the outperformance of the sub-fund is determined as the positive difference between the sub-fund's net assets before taking into account any provision for outperformance fees, and the net assets of a notional sub-fund delivering a performance equal to that of the sub-fund's benchmark and recording the same pattern of subscriptions and redemptions as the sub-fund.

The variable management fees are calculated by the Management Company at each net asset value calculation. These are provisioned only if the two following conditions are met: (i) the sub-fund has outperformed its benchmark; and (ii) the sub-fund has generated positive returns since the start of the financial year. Such a provision can only be made if the net asset value after taking into account any provision for outperformance fees is greater than the net asset value at the start of the financial year.

In the event of underperformance, a provision write-back is carried out within the limit of the account balance. Apart from cases of redemption, this provision for variable management fees is definitively paid to the Management Company at the end of each financial year.

In the event of redemption, a share of the provision for variable management fees on outstandings recognised during the last valuation is permanently allocated to a specific third-party account in proportion to the number of shares redeemed. This share of variable management fees is paid to the Management Company upon redemption.

No remuneration shall be retained by the Depositary or the Management Company on securities financing transactions. In addition, the Management Company does not receive any soft commission.



**Securities financing transactions:**

For its securities financing transactions involving the sale of securities, the sub-fund's service provider shall be one or more credit institutions having their head office in a Member State of the European Union. The service providers shall act independently of the SICAV and shall systematically be counterparties of transactions on the market. These service providers shall belong to the Rothschild & Co Group or an entity of the group to which it belongs (hereinafter "Entity"). As such, the Entity's performance of the transactions may generate a potential conflict of interest.

No remuneration is retained by the Depositary (as part of its custodian function) or the management company on securities financing transactions. All income from these transactions shall be fully collected by the SICAV. These transactions generate costs borne by the SICAV; the billing by the Entity may not exceed 50% of the income generated by these transactions.

In addition, the management company does not receive any soft commission.

Research-related expenses within the meaning of Article 314-21 of the AMF's General Regulation can be charged to the sub-fund.

For any additional information, please refer to the SICAV's annual report.

**Financial intermediary selection procedure:**

Rothschild & Co Asset Management Europe takes meticulous care in choosing its intermediaries. They are selected on the basis of the quality of their research, but also their speed and reliability in the execution and processing of orders. We therefore choose those we consider to be the best following a rigorous, regular process.



Sub-fund No. 4: R-co THEMATIC SILVER PLUS

➤ **General characteristics**

**ISIN code:**

I share: FR0010906305

C share: FR0010909531

CL share: FR0013293933

CL CHF H share: FR0013387388

CL USD H share: FR0013387370

F EUR share: FR0013495686

**Share characteristics:**

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the SICAV sub-fund in proportion to the number of shares held.

Management of liabilities: liabilities are managed by Rothschild Martin Maurel. Admission of the shares is done in Euroclear France.

Voting rights: each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.

Form of shares: bearer

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of December.

First closing: 31 December 2018

**Taxation:**

This sub-fund is eligible for the French equity savings plan (PEA). The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time will generally be regarded as taxable.

➤ **Special provisions**

**Classification:** Equities of EU countries. At least 60% of the UCI is exposed to equity markets of the European Union.

**Delegation of financial management:** None

**Investment objective:** The objective of the R-co Thematic Silver Plus sub-fund is to outperform, over a period equal to or greater than five years, the Dow Jones Euro Stoxx index of eurozone equities via discretionary management.

**Benchmark:** The benchmark used is the Dow Jones Euro Stoxx index, net dividends reinvested (Bloomberg code: SXXT Index), which is representative of the trend of eurozone equity markets. It covers approximately 300 eurozone companies of all market capitalisations (small, medium, and large). This index is administered by STOXX Limited and is available online at [www.stoxx.com](http://www.stoxx.com).

As of the date of the last update of this prospectus, the administrator of the benchmark index is not entered on the register of administrators and benchmark indexes maintained by the ESMA.

In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company has a procedure for monitoring the benchmarks used describing the measures to be implemented in the event of substantial changes to an index or if that index ceases to be provided.

The objective of this sub-fund is to outperform its benchmark, the Dow Jones Euro Stoxx, over the recommended investment period. The asset mix of this sub-fund may differ significantly from the composition of the benchmark index.



## Investment strategy:

### a. Description of strategies used:

#### A dynamic allocation between large and small caps of the eurozone:

The observation of stock market trends of large caps and small/mid-caps on the main global equity markets shows that:

- over a very long period, the performance of the two categories is substantially identical;
- this long-term performance breaks down into sub-periods, most of the time quite long, during which the two categories often move in opposite ways depending on an economic and financial environment favourable to one or the other, as the case may be.

For example, monetary turbulence frequently has negative effects on highly international large companies, which prompts investors to favour smaller, domestically operated companies.

The management strategy will therefore focus on determining and monitoring each month a number of economic, geopolitical, and financial factors and their foreseeable impact on the market behaviour of large and small/mid-caps.

These factors are mainly the following: macroeconomic growth, changes in exchange rate parities (dollar/euro in particular), level of interest rates and slope of the curve, profit growth, market valuation levels, capital flows, etc.

After analysis, the weighting of the two categories of equities in the portfolio is determined, keeping in mind that the proportion of large caps is always between 40% and 80% of the sub-fund's assets and the proportion of small/mid-caps is always between 20% and 60%.

This analysis also determines the portion of the assets that is not invested in equities: liquid assets and/or money market securities. In practice, investments in money market products shall relate only to negotiable debt securities denominated in euros, with the idea of either mitigating a decline in equity markets or waiting until equity investment opportunities arise. This portion not invested in equities, which varies according to the degree of uncertainty on the markets, shall not exceed 25% of the assets, given the eligibility of the sub-fund for the PEA (equity savings plan).

Equities held in the portfolio (minimum 75%) are selected on the basis of analyses and fundamental financial ratios, such as the company's activity and prospects, the strength of its balance sheet, its profit forecasts, the quality of its management teams, and, of course, the market valuation ratios. The manager applies bottom-up active management, not indexed to the benchmark index, relying largely on direct contact with companies.

### b. Description of asset classes:

- **Equities:** 75-100% of net assets.

Within the limit of the holding range specified in the table below, the sub-fund shall invest on one or more markets in equities that belong to all the industrial sectors and/or of all sizes of market capitalisation. In all cases, the portion of the sub-fund's equity allocation shall be invested for a minimum of 90% on regulated equity markets in eurozone countries. The sectoral distribution of issuers is not determined in advance and shall be determined based on market opportunities. Currency risk in foreign currencies may not exceed 10% of assets for an investor in the eurozone (such may be the case, for example, with securities of companies outside the eurozone, following a public exchange offer initiated by these companies).

The weighting of large caps is always between 40% and 80% of the sub-fund's net assets, and that of small and mid-caps between 20% and 60%.

- **Debt securities and money market instruments:** 0-25% of net assets.

Within the limit of the holding range, the sub-fund shall invest in negotiable debt securities (such as short-term negotiable securities and Euro Commercial Paper) denominated in euros, of all maturities, at fixed, variable, or adjustable rates, of all credit qualities (up to 10% in high-yield bonds). The sub-fund may hold fixed-income products from issuers not rated by the rating agencies. The private/public debt distribution is not determined in advance and shall be determined based on market opportunities.

The Management Company does not exclusively or automatically use credit ratings issued by rating agencies but undertakes its own in-depth analysis to assess the quality of fixed-rate instruments.



- **Holding of units or shares of other UCITS or AIF:** 0-10 % of net assets.

Within the holding range specified in the table below, the sub-fund may hold:

- units or shares of French or European UCITS funds governed by European directive 2009/65/EC;
- and/or units or shares of French or European AIFs or investment funds established on the basis of a foreign law, provided that the criteria set out in Article R. 214-13 of the French monetary and financial code are met.

Note: The sub-fund may hold units or shares of UCIs managed directly or by delegation or advised by the Rothschild & Co. Group.

- **For each of the classes mentioned above:**

	Equities	Fixed-income products	Units or shares of UCIs or investment funds
Holding ranges	75-100 %	0-25 %	0-10 %
Investment in financial instruments of non-OECD countries	0-10%	None	0-10 %
Investment in small and mid-caps	20-60%	None	0-10%
Investment restrictions imposed by the Management Company	None	None	None

**c. Derivatives:**

The sub-fund may invest only one asset at a time in regulated, organised or over-the-counter markets of eurozone countries in order to achieve the investment objective.

For this purpose, the sub-fund may trade for exposure and/or equity risk hedging.

In particular, the manager may trade on the market of futures and options on equity or indexes.

The sub-fund's overall direct and indirect equity market exposure, including exposure resulting from the use of derivatives, shall not exceed 100% of the sub-fund's assets.

**d. Securities with embedded derivatives:**

The use of securities with embedded derivatives is limited to 10% of net assets (warrants, autocall, as well as securities with simple embedded derivatives that present the same types of risks as the above-mentioned instruments) in order to achieve the fund's investment objective, particularly in managing its equity market exposure. The portfolio's consolidated equity market exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 100 %.

In particular, the manager shall invest in bond warrants and other warrants.

**e. Deposits: None**

**f. Cash loans: Within a limit of 10% of its assets, the sub-fund may resort to loans, particularly in order to compensate for deferred payment methods for asset movements.**

**g. Securities financing transactions: None**

**Risk profile:**

Your money shall be invested primarily in financial instruments selected by the management company. These instruments will be subject to market fluctuations and uncertainties.

**1- Risk of capital loss:**

There is a risk of capital loss, as the SICAV does not incorporate any capital guarantee.

**2- Discretionary management risk:**

The discretionary management style applied to the fund is based on the anticipation of the evolution on various markets and/or on the selection of securities. There is the risk that the sub-fund will not always be invested in the best-performing



markets or securities. The sub-fund's performance may therefore be less than the investment objective. The sub-fund's net asset value may also have a negative performance.

3- Market risk:

The main risk to which investors are exposed is market risk, given that up to 100% of the sub-fund may be exposed to one or more equity markets.

The sub-fund may experience:

- a. risk associated with investments in and/or exposure to equities,
- b. a risk associated with investments in small and mid-cap companies.

**Investors should be aware that small & mid-cap markets are intended to accommodate businesses that, because of their specific characteristics, may present risks for investments.**

- c. **liquidity risk associated with investments in small and mid-cap companies.**

Any downturn in the equity market may thus result in a reduction in the sub-fund's net asset value.

4- Currency risk:

The unitholder may be exposed to currency risk up to a maximum of 10%. Some of the assets are expressed in a currency other than the sub-fund's accounting currency. Changes in exchange rates may therefore cause the sub-fund's net asset value to decline.

5- Interest rate risk:

Risk associated with investments in fixed-income products. Thus, in the event of an increase in interest rates, the sub-fund's net asset value may decline. This risk is limited to 25% of assets.

**Guarantee or protection:** none.

**Eligible subscribers and typical investor profile:** all subscribers.

Typical profile:

The sub-fund is intended for investors who are primarily seeking exposure in the eurozone equity markets. The amount that can be reasonably invested in this sub-fund depends on each unitholder's personal situation. To determine this amount, investors must consider their personal wealth, their current needs, and their needs over the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment. Investors are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this sub-fund.

**Recommended investment period:** 5 years or more.

**Establishment and allocation of income:**

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the sub-fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

- 1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;
- 2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be accumulated and/or paid out and/or retained, independently of each other, in whole or in part, according to the procedures described below.

Amounts available for distribution must be paid within a maximum period of five months from the year-end.

- I, C, CL, CL CHF H, and CL USD H and EUR F shares: accumulation shares.

**Share characteristics:**

Share name	ISIN code	Eligible subscribers	Allocation of amounts available for distribution	Currencies of issue	Initial value of the share	Minimum initial subscription*
I	FR0010906305	Institutional	Accumulation	Euro	€ 100,000	€ 1,000,000
C	FR0010909531	All subscribers	Accumulation	Euro	€ 100	1 share
CL	FR0013293933	See below**	Accumulation	Euro	€ 100	1 share or €500,000 for institutional investors
CL CHF H	FR0013387388	See below**	Accumulation	CHF***	CHF 100	1 share or 500,000 Swiss francs for institutional investors
CL USD H	FR0013387370	See below**	Accumulation	USD***	USD 100	1 share or 500,000 US dollars for institutional investors
F EUR	FR0013495686	All subscribers	Accumulation	Euro	€ 100	1 share

\* The Management Company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

\*\* Subscription for this stock is reserved for:

1) investors subscribing through distributors or intermediaries:

- subject to national laws prohibiting all retrocessions to distributors (for example, Great Britain and the Netherlands),

or

- providing
  - an independent advisory service within the meaning of the European MiFID 2 regulation
  - an individual discretionary portfolio management service

2) institutional investors whose minimum initial subscription amount is 500,000 euros for the CL shares, 500,000 Swiss francs for the CL CHF H shares, and 500,000 US dollars for the CL USD H shares.

\*\*\* These shares are systematically hedged against the currency risk of the sub-fund's reference currency.

Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

The sub-fund has six share classes. These six classes differ particularly from the point of view of their currency of issue, management fees, their nominal value, and the distribution network(s) for which they are intended.

In addition, for each share class, the Management Company reserves the right to not activate it and therefore to delay its commercial launch.



### **Subscription and redemption:**

Subscription and redemption requests are received and centralised each day at twelve (12) pm at Rothschild Martin Maurel and executed on the basis of the next net asset value (D). However, if the official closing time of the Paris stock exchange is made earlier on an exceptional basis, the subscription and redemption order centralisation time will be changed to 11 am instead of 12 pm.

Settlements relating to subscriptions and redemptions occur on the second business day following (D+2).

Any shareholder may request the conversion of shares of one sub-fund or share class into another sub-fund or share class. A shareholder making such a request must comply with the redemption and subscription conditions relating to the quality of investors and with the minimum investment thresholds applicable to each of the sub-funds and/or share classes concerned.

Orders are executed in accordance with the table below:

D	D	D: day of NAV calculation	D+1 business day	D+2 business days	D+2 business days
Centralisation of subscription orders before 12 pm <sup>1</sup>	Centralisation of redemption orders before 12 pm <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

**Receipt of subscriptions and redemptions:** Rothschild Martin Maurel – 29, avenue de Messine - 75008 PARIS

### **Determination of net asset value:**

The calculation of the net asset value is daily (D), with the exception of public holidays in France (Euronext official calendar), even if the reference stock exchange is open; in this case, it is calculated on the first business day before.

#### ➤ **Charges and fees:**

##### • **Subscription and redemption fees**

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or decrease the redemption price received. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund in investing or divesting the entrusted assets. Any fees not retained by the UCITS are paid to the Management Company, marketer, distributor, etc.

<b>Fees payable by the investor, charged upon subscription or redemption</b>	<b>Base</b>	<b>Rate</b>
Subscription fee not retained by the sub-fund	Net asset value * Number of shares	All share classes: Maximum 4.00%
Subscription fee retained by the sub-fund	Net asset value * Number of shares	None
Redemption fee not retained by the sub-fund	Net asset value * Number of shares	None
Redemption fee retained by the sub-fund	Net asset value * Number of shares	None

In the event of redemption followed by subscription, on the same day, on the same share class, and for the same amount on the basis of the same net asset value, no subscription and/or redemption fees shall be charged.



- **Operating and management fees:**

These charges cover all costs billed directly to the sub-fund, with the exception of transaction costs. Transaction costs include intermediation charges (brokerage, etc.) and the activity fee, where applicable, which may be collected particularly by the Custodian and the Management Company.

The following may be added to the operating and management fees:

- performance fees. These reward the Management Company for achieving performance in excess of the sub-fund's objectives. They are charged to the sub-fund;
- activity fees charged to the sub-fund;
- a share of the income from securities financing transactions.

For more information on the charges actually billed to the sub-fund, refer to the Key Investor Information Document.

	<b>Fees charged to the sub-fund</b>	<b>Base</b>	<b>Rate</b>
1	Financial management fees	Net assets	<u>C shares</u> : Maximum 1.50%, all taxes included <u>F EUR shares</u> : Maximum 1.90%, all taxes included
2	Administrative charges external to the Management Company		<u>CL, CL CHF H and CL USD H shares</u> : Maximum 1.25%, all taxes included <u>I shares</u> : Maximum 0.75%, all taxes included
3	<u>Maximum indirect fees:</u> - management fees  - other fees: - subscription - redemption	Net assets	None
4	Transaction fees  Custodian: between 0% and 50%  Management Company: between 50% and 100%	Deduction from each transaction	0.50% all taxes included
5	Performance fee	Net assets	None

Research-related expenses within the meaning of Article 314-21 of the AMF's General Regulation can be charged to the sub-fund.

For any additional information, please refer to the SICAV's annual report.

**Financial intermediary selection procedure:**

Rothschild & Co Asset Management Europe takes meticulous care in choosing its intermediaries. They are selected on the basis of the quality of their research, but also their speed and reliability in the execution and processing of orders. We therefore choose those we consider to be the best following a rigorous, regular process.



## Sub-fund No. 5: RMM STRATEGIE MODEREE

### ➤ **General characteristics**

#### **ISIN code:**

C share: FR0007035555  
D share: FR0013329356

#### **Share characteristics:**

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the SICAV sub-fund in proportion to the number of shares held.

Management of liabilities: liabilities are managed by Rothschild Martin Maurel. Admission of the shares is done in Euroclear France.

Voting rights: each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.

Form of shares: bearer

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of December.

First closing: 31 December 2018

#### **Taxation:**

This sub-fund may serve as units of account for life insurance contracts.

The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time are generally regarded as taxable.

### ➤ **Special provisions**

#### **Investment objective:**

The investment objective of the sub-fund is to outperform the composite benchmark (10% MSCI USA NR EUR + 10% MSCI Europe NR EUR + 2% MSCI Japan NR EUR + 3% MSCI Emerging Markets NR EUR + 75% 3-month EURIBOR) net of fees over the recommended investment period of three (3) years or more, via discretionary management.

#### **Benchmark:**

The benchmark is a composite index, distributed as follows: 10% MSCI USA NR EUR (Bloomberg code: MSDEUSN Index) + 10% MSCI Europe NR EUR (Bloomberg code: MSDEE15N Index) + 2% MSCI Japan NR EUR (Bloomberg code: MSDEJNN Index) + 3% MSCI Emerging Markets NR EUR (Bloomberg code: MSDEEEMN Index) + 75% 3-month EURIBOR.

The index MSCI USA NR EUR (Bloomberg code: MSDEUSN Index) represents the largest companies in the US, net dividends reinvested and converted into euros.

The index MSCI Europe NR EUR (Bloomberg code: MSDEE15N Index) represents the largest companies in Europe, net dividends reinvested and converted into euros.

The index MSCI Japan NR EUR (Bloomberg code: MSDEJNN Index) represents the largest companies in Japan, net dividends reinvested and converted into euros.

The index MSCI Emerging Markets NR EUR (Bloomberg code: MSDEEEMN Index) includes the largest companies in non-OECD countries, net dividends reinvested and converted into euros.

These indexes are calculated and administered by MSCI and are available at the following URL: [www.msci.com](http://www.msci.com).

The 3-month EURIBOR (Euro Interbank Offered Rate) is the average interest rate at which 25/40 leading European banks make loans in euros with a 3-month maturity. It is calculated on every business day at 11 am CET and published by the European Banking Federation (EFB) (Bloomberg code: EUR003M Index). This index is available online at <http://fr.euribor-rates.eu/>.



As of the date of the last update of this prospectus, only the administrator Morgan Stanley Capital International Inc. of the MSCI benchmark indexes is entered on the register of administrators and benchmark indexes maintained by the ESMA. The administrator of the 3-month EURIBOR is exempt from article 2.2 of the benchmark regulation as a central bank and as such is not entered on the register maintained by the ESMA.

As the portfolio is not intended to replicate the benchmark index and its components exactly, the performance of the net asset value of the sub-fund may differ from that of the composite index.

In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company has a procedure for monitoring the benchmarks used describing the measures to be implemented in the event of substantial changes to an index or if that index ceases to be provided.

The objective of the sub-fund is to outperform its benchmark, 10% MSCI USA NR EUR (Bloomberg code: MSDEUSN Index) + 10% MSCI Europe NR EUR (Bloomberg code: MSDEE15N Index) + 2% MSCI Japan NR EUR (Bloomberg code: MSDEJNN Index) + 3% MSCI Emerging Markets NR EUR (Bloomberg code: MSDEEEMN Index) + 75% EURIBOR 3 months, over the recommended investment period. The asset mix of this sub-fund may differ significantly from the composition of the benchmark index.

#### **Investment strategy:**

##### **a. Description of strategies used:**

The sub-fund RMM Stratégie Modérée is invested via a rigorous quantitative and qualitative selection process carried out by the management company (as described below), directly and via UCIs, in fixed-income or convertible products directly and via UCIs, in equities products according to market opportunities, and in money market UCIs, UCIs presenting a diversified allocation, and/or absolute-return UCIs.

#### **Overall strategic allocation of the portfolio:**

With a view to meeting the investment objective, the sub-fund RMM Stratégie Modérée may invest:

- ✓ Between 0% and 50%, directly and via UCIs, in equities products in all geographical zones (including 10% maximum in non-OECD countries including emerging countries) and of all sizes (up to 10% in small caps) and in all sectors.
- ✓ Between 0% and 100%, directly and via UCIs, in fixed-income products and/or convertibles (up to 15% of net assets) in all geographical zones (including 15% maximum in non-OECD countries including emerging countries) and all credit qualities (up to 20% in high-yield or non-rated securities), both government and private-sector securities;
- ✓ Between 0% and 50% in money market UCIs;
- ✓ Between 0% and 40% in UCIs or investment funds using different types of alternative management applied to all financial asset classes. Investments are diversified across markets, management methodologies and investment managers;
- ✓ Liquid assets on an incidental basis.

Up to 10% of the sub-fund's net assets may be exposed to risks associated with small caps.

The sub-fund may invest up to 15% of its net assets in subordinated bonds, including 10% in contingent convertible bonds.

Absolute return management is a generic definition that encompasses non-traditional management techniques. Absolute return management strategies have a common objective: search for performance uncorrelated to (or differentiated from) to that of the main markets (currencies, bonds, stocks, or futures indexes). To that end, most of them seek to carry out arbitrage transactions and take advantage of market inefficiencies or imperfections, for example by simultaneously taking bull positions on certain assets and bear positions on other assets, on the basis of fundamental, technical, or statistical analyses.

The sub-fund invests up to 40% of its net assets in UCIs using the following absolute return strategies:

- "Long/short" strategies, in which the sub-fund may invest between 0% and 40% of its net assets, is the simultaneous holding of (a) long positions in stocks with upside potential and (b) short positions in stocks with downside potential. The manager has the capacity to adjust the resulting net market exposure depending on projected economic scenarios.



- The aim of “arbitrage/relative value” strategies, in which the sub-fund may invest between 0% and 40% of its net assets, is to exploit pricing anomalies in various asset classes. These strategies involve stocks, bonds, convertible bonds, other interest rate instruments, etc.
- “Global Macro” strategies, in which the sub-fund may invest between 0% and 40% of its net assets, are based on a macroeconomic analysis of economies and markets to formulate investment themes and invest on all markets on a discretionary basis. “Global Macro” managers invest without limitation of geographical area or asset type: stocks, bonds, currencies, derivatives, etc. They seek to anticipate market changes on the basis of major macroeconomic variables and especially interest rate fluctuations. They apply opportunistic management, based on an identification and an evaluation specific to the manager. These movements can result from changes in global economies, political uncertainties, or global supply and demand with regard to physical and financial resources.
- “Systematic” strategies, in which the sub-fund may invest between 0% and 40% of its net assets, are based on algorithms and automated trading (through mathematical models) aiming to exploit various market characteristics (trend, volatility, mean reversion, etc.). These strategies use mainly futures contracts on asset classes such as stocks, bonds, foreign exchange, and commodities.
- “Special Situations”/“Event-Driven” strategies, in which the sub-fund may invest between 0% and 40% of its net assets, involve taking advantage of opportunities created by major events related to a company’s corporate structure, such as spin-off, merger, acquisition, bankruptcy, reorganisation, share buyback, or change in management. Arbitrage between the various parts of the company’s capital is part of this strategy.

### **Criteria for selecting securities:**

The management process for the sub-fund combines the Top-Down and Bottom-Up approaches, thus identifying two sources of added value:

- The selection of securities is based on a fundamental approach that involves two steps:
  - A quantitative analysis to determine the attractiveness of valuation using ratios tailored to each industry (Enterprise Value/Capital Employed, Enterprise Value/Gross Operating Result, PER, etc.)
  - A qualitative analysis based on understanding the competition and how profitability is constructed (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.),

Most of the added value of our process therefore relies on a “bottom-up” approach, based on the fundamental analysis of companies, to assess whether the implicit profitability assumptions resulting from the valuation appear justified, overvalued, or undervalued.

Sector allocation resulting from a comparison between “bottom-up” and “top-down” analyses.

- A “top-down” dimension makes it possible to incorporate a number of parameters influencing profitability outlooks for various sectors into the fundamental analysis: interest rates, foreign exchange rates, changes in the demand, etc. It allows the risks from the “bottom-up” analysis to be identified and assumed.

### **Selection of underlying funds:**

The portfolio of the sub-fund RMM Stratégie Modérée has a diversified allocation and is managed on an active and discretionary basis in terms of styles, geographical areas, and products. The investment management process is built around two processes determined collectively:

- ✓ Definition of the overall allocation in terms of asset classes, geographical areas, and styles, according to a global macroeconomic and microeconomic analysis.
- ✓ Selection of UCIs, on the basis of a quantitative then qualitative analysis of the UCIs in the investment universe:
  - The quantitative part includes a series of filters (minimum assets under management, price history, etc.) highlighting the preselected UCIs as well as a battery of statistical indicators (performance and risk analyses) to identify consistency in the performance levels of UCIs in their respective category.
  - After this first analysis, an in-depth qualitative study is performed on the UCIs repeatedly offering the best performance over uniform periods. Regular meetings with the managers of the examined UCIs allow the consistency between the objectives, the resources put in place, and the results obtained by the analysed managers to be assessed.

Existence of a possible currency risk on all types of currency for French residents in the eurozone (up to 100% of the sub-fund’s assets).

### **b. Description of the classes of assets (excluding embedded derivatives) and financial contracts used:**

All asset classes included in the composition of the assets of the sub-fund are:



- **Equities:** 0-50% of net assets

Within the holding range specified in the table below, the sub-fund shall invest and/or shall be exposed in equity products. The sectoral and geographical distribution of issuers is not determined in advance and shall be determined according to market opportunities in all industrial sectors and all sizes of market capitalisation.

- **Debt securities, money market instruments, and bonds:** 0-100% of net assets

Within the limit of the holding range specified below, the sub-fund shall invest in and/or be exposed to bonds and short-term negotiable securities (including certificates of deposit and treasury notes issued before 31 May 2016) and Euro Commercial Paper) at fixed, variable, or adjustable rates, equity shares, index-linked bonds, and convertible bonds (up to 15% maximum). The sub-fund may invest up to 15% of its net assets in subordinated bonds, including 10% maximum in contingent convertible bonds. The private/public debt distribution is not determined in advance and shall be determined based on market opportunities. In all cases, the exposure to high-yield bonds and/or non-rated bonds shall not exceed 20%.

- **Holding of shares or units of other UCITS, AIFs, or investment funds governed by foreign law,** including listed UCIs/ETFs: 0-100% of net assets

Within the holding range specified below, the sub-fund may hold:

- units or shares of UCITS of all classes, including French and/or European listed UCITS/ETFs subject to European directive 2009/65/EC that may invest no more than 10% of their assets in units or shares of other UCIs or investment funds;
- for up to 20%, units or shares of other French or foreign UCIs of all classes, including listed UCIs/ETFs, or foreign investment funds, which meet the four conditions set out in Article R. 214-13 of the French monetary and financial code.

Note: The sub-fund may, in particular, invest its assets in units or shares of UCITS, AIFs or investment funds managed by the Rothschild & Co. group.

**For each of the classes mentioned above:**

	Equities	Fixed-income products	UCI
Holding ranges	0-50%	0-100%	0-100%
Investment in small caps	0-10%	None	0-10%
Investment in financial instruments of non-OECD countries	0-10%	0-15%	0-25%

**c. Derivatives:**

The sub-fund may trade on regulated, organised, or OTC markets.

The manager shall trade on equity, interest rate, credit, and currency risk. In order to achieve the investment objective, these interventions shall be done for portfolio hedging (sale of futures) and exposure to reconstitute a synthetic exposure to assets (purchase of futures). In particular, the manager may trade futures, options, swaps (TRS up to 50% of the fund's net assets) and forwards, and credit derivatives (credit default swaps).

The portfolio's overall equity market exposure, including exposure resulting from the use of derivatives, shall not exceed 50%.

The total fixed-income market exposure, including exposure resulting from the use of derivatives, shall not exceed 100% of net assets and will allow the portfolio's sensitivity to remain within a range of between -1 and 9.

The portfolio's consolidated currency risk exposure, including exposure resulting from the use of derivatives, shall not exceed 100%.

The consolidated exposure in the equities, foreign exchange and fixed-income markets, including exposure resulting from the use of derivatives, shall not exceed 200%.



### **Credit derivatives:**

The credit allocation is determined at the discretion of the manager.

The credit derivatives used are baskets of CDS and CDS on a single issuer.

These credit derivatives are used for hedging purposes through the purchase of protection:

- in order to limit the risk of capital loss on certain issuers (present in the portfolio)
- in order to benefit from the anticipated deterioration of the credit quality of an issuer or a basket of issuers not present in the portfolio greater than that of an exposure present in the portfolio

and for exposure, through the sale of protection, to:

- the credit risk of an issuer
- the credit risk on baskets of CDS

CDSs may be used for credit risk exposure or hedging of the portfolio's credit risk.

The percentage of the fund's assets corresponding to the use of credit derivatives is between 0% and 100%.

**Total Return Swap:** In particular, up to a limit of 50% of its net assets, the sub-fund may use Total Return Swaps. The aim of these financial forwards is to trade on the performance of a security, a basket of securities, or an index.

Derivatives will be used primarily to:

- synthetically reconstruct the portfolio's exposure to the bond market;
- partially hedge the assets in the portfolio against interest rate and credit risk.

### **d. Securities with embedded derivatives:**

To achieve the management objective, the use of securities with embedded derivatives is limited to 30% of net assets. This limit includes the use of (i) warrants, (ii) EMTN/structured certificates including autocalls (up to 20% of net assets), (iii) callable and puttable bonds, including make whole calls (up to 20% of net assets), (iv) convertible bonds (up to 15% of net assets), (v) contingent convertible bonds (up to 10% of net assets) as well as securities with simple embedded derivatives presenting a risk type similar to that of the previously listed instruments.

The portfolio's overall equity market exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 50%.

The portfolio's overall fixed-income market exposure, including exposure resulting from the use of securities with embedded derivatives, will allow the portfolio's sensitivity to remain within a range of between -1 and 9.

The portfolio's total foreign exchange exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 100%.

Please note that the sub-fund will not use Total Return Swaps (TRS).

### **e. Deposits: None**

### **f. Cash loans:**

Within a limit of 10% of its assets, the sub-fund may resort to loans, particularly in order to compensate for deferred payment methods for asset movements.

### **g. Securities financing transactions:**

- General description of transactions:
  - Purpose of the transactions:

Securities financing transactions shall be carried out in accordance with the French monetary and financial code. They shall be conducted as part of cash management and/or optimisation of the sub-fund's income.

- Type of transactions used:

These transactions shall consist of securities lending and borrowing and/or repurchase and reverse repurchase agreements, fixed-income products, or credit products (debt securities and money market instruments) from issuers of OECD member countries.

- General information for each type of transaction:
  - Level of intended use:

Securities financing transactions involving disposals (securities lending, repurchase agreements) of securities may be carried out for up to 100% of the sub-fund's assets.



Securities financing transactions involving acquisitions (securities borrowing, reverse repurchase agreements) of securities may be carried out for up to 10% of the sub-fund's assets. This limit may be increased to 100% in the case of repurchase agreements for cash, on condition that the financial instruments repurchased are not subject to a sale transaction. The expected proportion of assets under management that will be the subject of such a transaction may represent 10% of the assets.

- Remuneration:

Additional information about the remuneration is provided in the "Charges and fees" section.

- Information on the counterparties, collateral, and risks:

- Collateral:

The collateral received as part of these transactions will be the subject of a discount according to the principle described in the section "Information about the SICAV's financial collateral". The Collateral shall be kept by the custodian of the SICAV. For more information about the collateral, refer to the section "Information about the SICAV's financial collateral".

- Selection of Counterparties:

A procedure for selecting counterparties with which these transactions are entered into makes it possible to prevent the risk of a conflict of interest when these transactions are used. These counterparties shall be Credit Institutions having their registered office in a member State of the European Union and with a minimum rating of A. Additional information about the counterparty selection procedure is provided in the "Charges and fees" section.

- Risks: refer to the section "Risk profile" and especially "counterparty risk".

Information about the financial collateral of the sub-fund:

As part of securities financing transactions and transactions on OTC derivatives, the sub-fund may receive securities (such as bonds or securities issued or guaranteed by a State or issued by international lending agencies and bonds or securities issued by good quality private issuers) or cash as collateral. There is no correlation policy insofar as the sub-fund will receive mainly government securities of the eurozone and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility, diversified issuers that are not an entity of the counterparty or its group.

Discounts may be applied to the collateral received; they shall take into account, in particular, the credit quality and the volatility of the prices of the securities. The valuation is performed at least on a daily basis.

Financial collateral received must be able to give rise to a full execution by the sub-fund at any time and without consultation or approval of the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash must only be:

- placed in deposit accounts;
- invested in high-quality government bonds;
- used for the purposes of reverse repurchase agreement transactions, provided that these transactions are entered into with credit institutions subject to prudential supervision and that the sub-fund can, at any time, recall the total amount of cash, taking into account the accrued interest;
- invested in money market collective investment schemes.

**Risk profile:**

Investors are exposed via the sub-fund primarily to the following risks, especially by investment in UCIs selected by the management company. These instruments will be subject to market fluctuations and uncertainties.

1- Risk of capital loss:

Unitholders have no capital guarantee. Therefore, not all of the capital invested may be returned to them.

2- Risk associated with discretionary management

The discretionary management style is based on anticipating trends on the various markets (equities, bonds). There is the risk that the sub-fund will not always be invested in the best-performing markets. Therefore, it is possible that its performance may not be in line with its objectives.

3- Equity risk:

The sub-fund may experience:

- d. a risk associated with indirect investments in and/or exposure to equities;
- e. a risk linked to indirect investment exposure to large caps, mid-caps, and small caps.



**Investors should be aware that small-cap markets are intended to accommodate businesses that, because of their specific characteristics, may present risks for investments, which may reduce the sub-fund's net asset value.**

Any downturn in the equity market may thus result in a reduction in the sub-fund's net asset value.

- 4- Risk linked to investments in emerging countries:  
Investors should note that the operating and supervision conditions of the markets on which the sub-fund will trade (non-OECD markets including emerging countries) may deviate from the standards prevailing on the major international markets, which may reduce the sub-fund's net asset value.
- 5- Currency risk:  
Unitholders may be exposed to foreign exchange risk. Some assets are expressed in a currency other than the sub-fund's accounting currency; therefore, a change in exchange rates may result in a reduction in the sub-fund's net asset value.
- 6- Interest rate risk:  
Risk linked to indirect investments in fixed-income products and their sensitivity to movements on the yield curves. Thus, an increase in interest rates will result in a reduction in the sub-fund's net asset value.
- 7- Credit risk:  
Risk of a deterioration of credit quality or default of an issuer present in the portfolio. As such, in the event of positive credit risk exposure, an increase in credit spreads may cause a reduction in the sub-fund's net asset value.  
**Investors are reminded that high-yield debt securities present a greater credit risk, which may lead to a greater reduction in the sub-fund's net asset value.**
- 8- Liquidity risk on the sub-fund linked to low liquidity on the underlying markets, which makes them sensitive to significant buy/sell flows; this could lead to a reduction in the sub-fund's net asset value.
- 9- Risk associated with absolute return management strategies:  
Absolute return management strategies employ techniques that take advantage of observed (or anticipated) differences in prices between markets and/or sectors and/or securities and/or currencies and/or instruments. If the markets move against these positions (for example, if they rise for short transactions and/or fall for long transactions) the NAV of these UCIs or investment funds could fall. It is also possible that these management strategies lead to a drop in the net asset value of the sub-fund in the event of an upturn in the financial markets (equities and/or bonds and/or commodities).
- 10- Counterparty risk:  
The sub-fund may use securities financing transactions and/or over-the-counter derivatives. These transactions, entered into with a counterparty, expose the sub-fund to a risk of the counterparty's default, which may cause the net asset value of the sub-fund to decline. Nevertheless, the counterparty risk may be limited by establishing guarantees granted to the sub-fund in accordance with the regulations in force.
- 11- Risks associated with securities financing transactions:  
In addition to the counterparty risk previously mentioned, the use of these techniques, the management of their collateral, and collateral reuse involve certain specific risks such as the possibility of a lack of liquidity for any instrument, possible risks in relation with the legal documentation, the application of the contracts, and their limits, operational and custodial risks, a risk of incorrect valuation, and a counterparty risk. If use of these transactions proves to be inadequate, ineffective, or a failure due to market conditions, the sub-fund may suffer significant losses that will have a negative effect on the sub-fund's net asset value.

**Guarantee or protection:** none.

**Eligible subscribers and typical investor profile:** All subscribers

*Typical profile:*

The sub-fund is intended for investors who are seeking a diversified investment vehicle.

The amount that can be reasonably invested in this sub-fund depends on each unitholder's personal situation. To determine this amount, investors must consider their personal wealth, their current needs, and their needs over the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment. Investors are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this sub-fund.

**Recommended investment period:** 3 years or more



### **Establishment and allocation of income:**

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the sub-fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

- 1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;
- 2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be accumulated and/or paid out and/or retained, independently of each other, in whole or in part, according to the procedures described below. Amounts available for distribution must be paid within a maximum period of five months from the year-end.

- C share: accumulation share
- D share: distribution share, full payout of the net income as defined in 1) above, concerning the capital gains or losses defined in 2) above, the management company may pay them out (fully or partially) and/or retain them (fully or partially).

For accumulation shares: amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory payout by law.

For distribution shares: full payout of the net income as defined in 1) above, concerning the capital gains or losses defined in 2) above, the management company may, each year, accumulate them (fully or partially) and/or pay them out (fully or partially) and/or retain them (fully or partially).

### **Distribution frequency:**

- C share: accumulation share
- D share: Annual on the decision of the Annual General Meeting with the possibility of an interim distribution on the decision of the Board of Directors

### **Share characteristics:**

Share name	ISIN code	Allocation of amounts available for distribution	Currency of issue	Minimum initial	Fractional units	Eligible subscribers
C	FR0007035555	Accumulation	Euro	€ 100	Ten-thousandths	All subscribers
D	FR0013329356	Income	Euro	€ 100	Ten-thousandths	All subscribers

### **Subscription and redemption:**

Subscription and redemption requests are received and centralised each day at twelve (12) pm at Rothschild Martin Maurel (D-1) and executed on the basis of the net asset value of the following business day (D). Settlement and delivery of securities will take place on the third business day following the NAV execution date (D+3).

Any shareholder may request the conversion of shares of one sub-fund or share class into another sub-fund or share class. A shareholder making such a request must comply with the redemption and subscription conditions relating to the quality of investors and with the minimum investment thresholds applicable to each of the sub-funds and/or share classes concerned.

Orders are executed in accordance with the table below:



D-1 business day	D-1 business day	D: day of NAV calculation	D+1 business day	D+3 business days	D+3 business days
Centralisation of subscription orders before 12 pm <sup>1</sup>	Centralisation of redemption orders before 12 pm <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

#### **Receipt of subscriptions and redemptions:**

Rothschild Martin Maurel – 29, avenue de Messine – 75008 Paris.

#### **Determination of net asset value:**

The net asset value is calculated on all business days of the Paris stock exchange, with the exception of public holidays in France (Euronext official calendar), even if the reference stock exchange is open; in that event, it is calculated on the first business day before.

#### ➤ **Charges and fees:**

##### • **Subscription and redemption fees:**

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or decrease the redemption price received. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund in investing or divesting the entrusted assets. Any fees not retained by the UCITS are paid to the management company, marketer, distributor, etc.

<b>Fees payable by the investor, charged upon subscription or redemption</b>	<b>Base</b>	<b>Rate</b>
Subscription fee not payable to the sub-fund	Net asset value * Number of shares	Maximum 5%
Subscription fee payable to the sub-fund	Net asset value * Number of shares	None
Redemption fee not payable to the sub-fund	Net asset value * Number of shares	None
Redemption fee payable to the sub-fund	Net asset value * Number of shares	None

##### • **Operating and management charges**

These charges cover all costs billed directly to the sub-fund, with the exception of transaction costs. Transaction charges include intermediation charges (brokerage, etc.) and the transaction fee, where applicable, which may be collected particularly by the custodian and the management company.

The following may be added to the operating and management fees:

- performance fees. These remunerate the Management Company for achieving performance in excess of the sub-fund's objectives. They are charged to the sub-fund;
- activity fees charged to the sub-fund;
- a share of the income from securities financing transactions.

For more information on the charges actually billed to the sub-fund, refer to the Key Investor Information Document.

	<b>Fees charged to the sub-fund</b>	<b>Base</b>	<b>Rate/Scale</b>
1	Financial management fees	Net assets excluding units or shares of UCI managed by Rothschild & Co Asset Management Europe	Maximum 1%, all taxes included*
2	Administrative fees external to the management company		
3	Maximum indirect charges (fees and management charges)	Net assets	Maximum 2%, all taxes included
4		Deduction from each transaction	



	Transaction fees  <u>Depositary</u> : between 0% and 50% <u>Management Company</u> : between 50% and 100%		0.03% on French and foreign bonds 0.30% on French shares 0.40% on foreign shares  As from 17 August 2020: Purchase operation on EMTN/structured certificates: 1% Sale operation on EMTN/structured certificates: 0.5%
5	**Performance fee	Net assets	15% including taxes*** of the annual outperformance net of fees of the sub-fund over the composite benchmark index (10% MSCI USA NR EUR + 10% MSCI Europe NR EUR + 2% MSCI Japan NR EUR + 3% MSCI Emerging Markets NR EUR + 75% 3-month EURIBOR dividends reinvested and converted into euros, with each of the components valued on the business day D-1 against the net asset value date) and the highest net asset value of an accounting period having previously been subject to a deduction (see calculation method below).

\* The management company is exempt from VAT.

\*\* The performance fee shall be applicable with effect from 1 January 2019.

\*\*\* Performance fees may not be deducted for a reference period of less than one year. The first deduction shall therefore be made on the basis of the last NAV of the financial year ending December 2019.

Research-related expenses within the meaning of Article 314-21 of the AMF's General Regulation can be charged to the sub-fund.

#### Calculation of the performance fee:

The performance fee is calculated on a maximum history of three years by comparing the evolution of the sub-fund's assets (coupon reinvested and excluding variable management fees) with the assets of a reference fund:

- the starting value of which is that of the sub-fund's assets (i) at the closing of the previous financial year if performance fees were deducted at this closing or, failing that, (ii) at the closing of the most recent financial year having given rise to the deduction of a performance fee over the last three financial years if performance fees were deducted for one of these financial years or, failing that, (iii) at the closing of the third financial year preceding if no performance fees were deducted for the past two financial years (iv) or, failing that, on 1 January 2019;
- and which yields a daily performance equal to that of the benchmark recording the same variations in subscriptions and redemptions as the sub-fund.

If, at the closing of the financial year, the sub-fund's assets (excluding variable management fees) are greater than the assets of the reference sub-fund with the above starting value, then a performance fee equal to 15% including taxes of the valuation difference between the sub-fund's assets and the reference fund is deducted.

A provision for these fees is set aside at each calculation of the net asset value and actually collected each year on the closing date of the financial year.

The provision shall be written back each time the difference between the two asset values decreases. In the event of underperformance (the sub-fund's assets are less than the reference fund's assets), the provisions shall be written back until the overall allocation is depleted, excluding any accrued variable management fees.

Any provisions existing at the end of the financial year and the share of the commission coming from share redemptions during the financial year shall be paid to the management company.

Securities lending or borrowing is remunerated on a pro rata temporis basis according to a fixed or variable rate that depends on market conditions.



**Securities financing transactions:**

For its securities financing transactions involving the sale of securities, the sub-fund's service provider shall be one or more credit institutions having their head office in a Member State of the European Union. The service providers shall act independently of the sub-fund and shall systematically be counterparties of transactions on the market. These service providers shall belong to the Rothschild & Co Group or an entity of the group to which it belongs (hereinafter "Entity"). As such, the Entity's performance of the transactions may generate a potential conflict of interest.

No remuneration is retained by the Depositary (as part of its custodian function) or the management company on securities financing transactions. All income from these transactions shall be fully collected by the sub-fund. These transactions generate costs borne by the sub-fund; the billing by the Entity may not exceed 50% of the income generated by these transactions.

In addition, the management company does not receive any soft commission.

For any additional information, please refer to the sub-fund's annual report.

**Intermediary selection procedure**

Rothschild & Co Asset Management Europe takes meticulous care in choosing its intermediaries. They are selected on the basis of the quality of their research, but also their speed and reliability in the execution and processing of orders. We therefore choose those we consider to be the best following a rigorous, regular process.



## Sub-fund No. 6: RMM STRATEGIE DIVERSIFIEE

### ➤ **General characteristics**

#### **ISIN code:**

C share: FR0007035571

D share: FR0013329349

#### **Share characteristics:**

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the SICAV sub-fund in proportion to the number of shares held.

Specification of methods of managing liabilities:

Liabilities are managed by Rothschild Martin Maurel. Admission of the shares is done in Euroclear France.

Voting rights: Each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.

Form of shares: bearer

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of December.

First closing: 31 December 2018

#### **Taxation:**

This sub-fund may serve as units of account for life insurance contracts.

The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time are generally regarded as taxable.

### ➤ **Special provisions**

#### **Investment objective:**

The investment objective of the sub-fund is to outperform the composite benchmark (20% MSCI USA NR EUR + 20% MSCI Europe NR EUR + 4% MSCI Japan NR EUR + 6% MSCI Emerging Markets NR EUR + 50% 3-month EURIBOR) net of fees over the recommended investment period of four (4) years or more, via discretionary management.

#### **Benchmark:**

The benchmark is a composite index, distributed as follows: 20% MSCI USA NR EUR (Bloomberg code: MSDEUSN Index) + 20% MSCI Europe NR EUR (Bloomberg code: MSDEE15N Index) + 4% MSCI Japan NR EUR (Bloomberg code: MSDEJNN Index) + 6% MSCI Emerging Markets NR EUR (Bloomberg code: MSDEEEMN Index) + 50% 3-month EURIBOR.

The index MSCI USA NR EUR (Bloomberg code: MSDEUSN Index) represents the largest companies in the US, net dividends reinvested and converted into euros.

The index MSCI Europe NR EUR (Bloomberg code: MSDEE15N Index) represents the largest companies in Europe, net dividends reinvested and converted into euros.

The index MSCI Japan NR EUR (Bloomberg code: MSDEJNN Index) represents the largest companies in Japan, net dividends reinvested and converted into euros.

The index MSCI Emerging Markets NR EUR (Bloomberg code: MSDEEEMN Index) includes the largest companies in non-OECD countries, net dividends reinvested and converted into euros.

These indexes are calculated and administered by MSCI and are available at the following URL: [www.msci.com](http://www.msci.com).

The 3-month EURIBOR (Euro Interbank Offered Rate) is the average interest rate at which 25/40 leading European banks make loans in euros with a 3-month maturity. It is calculated on every business day at 11 am CET and published by the European Banking Federation (EFB) (Bloomberg code: EUR003M Index). This index is available online at <http://fr.euribor-rates.eu/>.



As of the date of the last update of this prospectus, only the administrator Morgan Stanley Capital International Inc. of the MSCI benchmark indexes is entered on the register of administrators and benchmark indexes maintained by the ESMA. The administrator of the 3-month EURIBOR is exempt from article 2.2 of the benchmark regulation as a central bank and as such is not entered on the register maintained by the ESMA.

In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company has a procedure for monitoring the benchmarks used describing the measures to be implemented in the event of substantial changes to an index or if that index ceases to be provided.

As the portfolio is not intended to replicate the benchmark index and its components exactly, the performance of the net asset value of the sub-fund may differ from that of the composite index.

The objective of the sub-fund is to outperform its benchmark, 20% MSCI USA NR EUR (Bloomberg code: MSDEUSN Index) + 20% MSCI Europe NR EUR (Bloomberg code: MSDEE15N Index) + 4% MSCI Japan NR EUR (Bloomberg code: MSDEJNN Index) + 6% MSCI Emerging Markets NR EUR (Bloomberg code: MSDEEEMN Index) + 50% EURIBOR 3 months, over the recommended investment period. The asset mix of this sub-fund may differ significantly from the composition of the benchmark index.

### Investment strategy:

#### a. Description of strategies used:

The sub-fund RMM Stratégie Diversifiée is invested via a rigorous quantitative and qualitative selection process carried out by the management company (as described below), directly and via UCIs, in fixed-income or convertible products directly and via UCIs, in equities products according to market opportunities, and in money market UCIs, UCIs presenting a diversified allocation, and/or absolute return UCIs.

### Overall strategic allocation of the portfolio:

With a view to meeting the investment objective, the sub-fund RMM Stratégie Diversifiée may invest:

- ✓ Between 0% and 75%, directly and via UCIs, in equities products in all geographical zones (including 20% maximum in non-OECD countries including emerging countries) and of all sizes (up to 20% in small caps) and in all sectors;
- ✓ Between 0% and 75%, directly and via UCIs, in fixed-income products and/or convertibles (up to 15% of net assets) in all geographical zones (including 15% maximum in non-OECD countries including emerging countries) and all credit qualities (up to 15% in high-yield or non-rated securities), both government and private-sector securities;
- ✓ Between 0% and 50% in money market UCIs;
- ✓ Between 0% and 30% in UCIs or investment funds using different types of alternative management applied to all financial asset classes. Investments are diversified across markets, management methodologies and investment managers;
- ✓ Liquid assets on an incidental basis.

Up to 20% of the sub-fund's net assets may be exposed to risks associated with small caps.

The sub-fund may invest up to 15% of its net assets in subordinated bonds, including 10% in contingent convertible bonds.

Absolute return management is a generic definition that encompasses non-traditional management techniques. Absolute return management strategies have a common objective: search for performance uncorrelated to (or differentiated from) to that of the main markets (currencies, bonds, stocks, or futures indexes). To that end, most of them seek to carry out arbitrage transactions and take advantage of market inefficiencies or imperfections, for example by simultaneously taking bull positions on certain assets and bear positions on other assets, on the basis of fundamental, technical, or statistical analyses.

The sub-fund invests up to 30% of its net assets in UCIs using the following absolute return strategies:

- "Long/short" strategies, in which the sub-fund may invest between 0% and 30% of its net assets, is the simultaneous holding of (a) long positions in stocks with upside potential and (b) short positions in stocks with downside potential. The manager has the capacity to adjust the resulting net market exposure depending on projected economic scenarios.



- The aim of “arbitrage/relative value” strategies, in which the sub-fund may invest between 0% and 30% of its net assets, is to exploit pricing anomalies in various asset classes. These strategies involve stocks, bonds, convertible bonds, other interest rate instruments, etc.
- “Global Macro” strategies, in which the sub-fund may invest between 0% and 30% of its net assets, are based on a macroeconomic analysis of economies and markets to formulate investment themes and invest on all markets on a discretionary basis. “Global Macro” managers invest without limitation of geographical area or asset type: stocks, bonds, currencies, derivatives, etc. They seek to anticipate market changes on the basis of major macroeconomic variables and especially interest rate fluctuations. They apply opportunistic management, based on an identification and an evaluation specific to the manager. These movements can result from changes in global economies, political uncertainties, or global supply and demand with regard to physical and financial resources.
- “Systematic” strategies, in which the sub-fund may invest between 0% and 30% of its net assets, are based on algorithms and automated trading (through mathematical models) aiming to exploit various market characteristics (trend, volatility, mean reversion, etc.). These strategies use mainly futures contracts on asset classes such as stocks, bonds, foreign exchange, and commodities.
- “Special Situations”/“Event-Driven” strategies, in which the sub-fund may invest between 0% and 30% of its net assets, involve taking advantage of opportunities created by major events related to a company’s corporate structure, such as spin-off, merger, acquisition, bankruptcy, reorganisation, share buyback, or change in management. Arbitrage between the various parts of the company’s capital is part of this strategy.

### **Criteria for selecting securities:**

The management process for the sub-fund combines the Top-Down and Bottom-Up approaches, thus identifying two sources of added value:

- The selection of securities is based on a fundamental approach that involves two steps:
  - A quantitative analysis to determine the attractiveness of valuation using ratios tailored to each industry (Enterprise Value/Capital Employed, Enterprise Value/Gross Operating Result, PER, etc.)
  - A qualitative analysis based on understanding the competition and how profitability is constructed (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.),

Most of the added value of our process therefore relies on a “bottom-up” approach, based on the fundamental analysis of companies, to assess whether the implicit profitability assumptions resulting from the valuation appear justified, overvalued, or undervalued.

Sector allocation resulting from a comparison between “bottom-up” and “top-down” analyses.

- A “top-down” dimension makes it possible to incorporate a number of parameters influencing profitability outlooks for various sectors into the fundamental analysis: interest rates, foreign exchange rates, changes in the demand, etc. It allows the risks from the “bottom-up” analysis to be identified and assumed.

### **Selection of underlying funds:**

The portfolio of the sub-fund RMM Stratégie Diversifiée has a diversified allocation and is managed on an active and discretionary basis in terms of styles, geographical areas, and products. The investment management process is built around two processes determined collectively:

- ✓ Definition of the overall allocation in terms of asset classes, geographical areas, and styles, according to a global macroeconomic and microeconomic analysis.
- ✓ Selection of UCIs, on the basis of a quantitative then qualitative analysis of the UCIs in the investment universe:
  - The quantitative part includes a series of filters (minimum assets under management, price history, etc.) highlighting the preselected UCIs as well as a battery of statistical indicators (performance and risk analyses) to identify consistency in the performance levels of UCIs in their respective category.
  - After this first analysis, an in-depth qualitative study is performed on the UCIs repeatedly offering the best performance over uniform periods. Regular meetings with the managers of the examined UCIs allow the consistency between the objectives, the resources put in place, and the results obtained by the analysed managers to be assessed.

Existence of a possible currency risk on all types of currency for French residents in the eurozone (up to 100% of the sub-fund’s assets).



**b. Description of the classes of assets (excluding embedded derivatives) and financial contracts used:**

All asset classes included in the composition of the assets of the sub-fund are:

- **Equities:** 0-75% of net assets

Within the holding range specified in the table below, the sub-fund shall invest and/or shall be exposed in equity products. The sectoral and geographical distribution of issuers is not determined in advance and shall be determined according to market opportunities in all industrial sectors and all sizes of market capitalisation.

- **Debt securities, money market instruments, and bonds:** 0-75% of net assets

Within the limit of the holding range specified below, the sub-fund shall invest in and/or be exposed to bonds and short-term negotiable securities (including certificates of deposit and treasury notes issued before 31 May 2016) and Euro Commercial Paper) at fixed, variable, or adjustable rates, participating securities, indexed bonds, and convertible bonds (up to 15% maximum). The sub-fund may invest up to 15% of its net assets in subordinated bonds, including 10% maximum in contingent convertible bonds. The private/public debt distribution is not determined in advance and shall be determined based on market opportunities. In all cases, the exposure to high-yield bonds and/or non-rated bonds shall not exceed 15%.

- **Holding of shares or units of other UCITS, AIFs, or investment funds governed by foreign law,** including listed UCIs/ETFs: 0-100% of net assets

Within the holding range specified below, the sub-fund may hold:

- units or shares of UCITS of all classes, including French and/or European listed UCITS/ETFs subject to European directive 2009/65/EC that may invest no more than 10% of their assets in units or shares of other UCIs or investment funds;
- for up to 20%, units or shares of other French or foreign UCIs of all classes, including listed UCIs/ETFs, or foreign investment funds, which meet the four conditions set out in Article R. 214-13 of the French monetary and financial code.

Note: The sub-fund may, in particular, invest its assets in units or shares of UCITS, AIFs or investment funds managed by the Rothschild & Co. group.

**For each of the classes mentioned above:**

	Equities	Fixed-income products	UCI
Holding ranges	0-75%	0-75%	0-100%
Investment in small caps	0-20%	None	0-20%
Investment in financial instruments of non-OECD countries	0-20%	0-15%	0-35%

**c. Derivatives:**

The sub-fund may trade on regulated, organised, or OTC markets.

The manager shall trade on equity, interest rate, credit, and currency risk. In order to achieve the investment objective, these interventions shall be done for portfolio hedging (sale of futures) and exposure to reconstitute a synthetic exposure to assets (purchase of futures). In particular, the manager may trade futures, options, swaps (TRS up to 50% of the fund's net assets) and forwards, and credit derivatives (credit default swaps).

The portfolio's overall equity market exposure, including exposure resulting from the use of derivatives, shall not exceed 75%.

The overall fixed-income market exposure, including exposure resulting from the use of derivatives, will allow the portfolio's sensitivity to remain within a range of between -1 and 9.

The portfolio's consolidated currency risk exposure, including exposure resulting from the use of derivatives, shall not exceed 100%.



The consolidated exposure in the equities, foreign exchange and fixed-income markets, including exposure resulting from the use of derivatives, shall not exceed 200%.

**Credit derivatives:**

The credit allocation is determined at the discretion of the manager.

The credit derivatives used are baskets of CDS and CDS on a single issuer.

These credit derivatives are used for hedging purposes through the purchase of protection:

- in order to limit the risk of capital loss on certain issuers (present in the portfolio)
- in order to benefit from the anticipated deterioration of the credit quality of an issuer or a basket of issuers not present in the portfolio greater than that of an exposure present in the portfolio

and for exposure, through the sale of protection, to:

- the credit risk of an issuer
- the credit risk on baskets of CDS

CDSs may be used for credit risk exposure or hedging of the portfolio's credit risk.

The percentage of the fund's assets corresponding to the use of credit derivatives is between 0% and 100%.

**Total Return Swap:** In particular, up to a limit of 50% of its net assets, the sub-fund may use Total Return Swaps. The aim of these financial forwards is to trade on the performance of a security, a basket of securities, or an index.

Derivatives will be used primarily to:

- synthetically reconstruct the portfolio's exposure to the bond market;
- partially hedge the assets in the portfolio against interest rate and credit risk.

**d. Securities with embedded derivatives:**

To achieve the management objective, the use of securities with embedded derivatives is limited to 30% of net assets. This limit includes the use of (i) warrants, (ii) EMTN/structured certificates including autocalls (up to 20% of net assets), (iii) callable and puttable bonds, including make whole calls (up to 15% of net assets), (iv) convertible bonds (up to 15% of net assets), (v) contingent convertible bonds (up to 10% of net assets) as well as securities with simple embedded derivatives presenting a risk type similar to that of the previously listed instruments.

The portfolio's overall equity market exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 75%.

The portfolio's overall fixed-income market exposure, including exposure resulting from the use of securities with embedded derivatives, will allow the portfolio's sensitivity to remain within a range of between -1 and 9.

The portfolio's total foreign exchange exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 100%.

**e. Deposits:** 0-50% of net assets.

**f. Cash loans:**

Within a limit of 10% of its assets, the sub-fund may resort to loans, particularly in order to compensate for deferred payment methods for asset movements.

**g. Securities financing transactions:**

- General description of transactions:

- Purpose of the transactions:

Securities financing transactions shall be carried out in accordance with the French monetary and financial code. They shall be conducted as part of cash management and/or optimisation of the sub-fund's income.

- Type of transactions used:

These transactions shall consist of securities lending and borrowing and/or repurchase and reverse repurchase agreements, fixed-income products, or credit products (debt securities and money market instruments) from issuers of OECD member countries.

- General information for each type of transaction:



- Level of intended use:

Securities financing transactions involving disposals (securities lending, repurchase agreements) of securities may be carried out for up to 100% of the sub-fund's assets.

Securities financing transactions involving acquisitions (securities borrowing, reverse repurchase agreements) of securities may be carried out for up to 10% of the sub-fund's assets. This limit may be increased to 100% in the case of repurchase agreements for cash, on condition that the financial instruments repurchased are not subject to a sale transaction.

The expected proportion of assets under management that will be the subject of such a transaction may represent 10% of the assets.

- Remuneration:

Additional information about the remuneration is provided in the "Charges and fees" section.

- Information on the counterparties, collateral, and risks:

- Collateral:

The collateral received as part of these transactions will be the subject of a discount according to the principle described in the section "Information about the SICAV's financial collateral". The Collateral shall be kept by the custodian of the SICAV. For more information about the guarantees, refer to the section "Information about the SICAV's financial collateral".

- Selection of Counterparties:

A procedure for selecting counterparties with which these transactions are entered into makes it possible to prevent the risk of a conflict of interest when these transactions are used. These counterparties shall be Credit Institutions having their registered office in a member State of the European Union and with a minimum rating of A. Additional information about the counterparty selection procedure is provided in the "Charges and fees" section.

- Risks: refer to the section "Risk profile" and especially "counterparty risk".

Information about the financial collateral of the sub-fund:

As part of securities financing transactions and transactions on OTC derivatives, the sub-fund may receive securities (such as bonds or securities issued or guaranteed by a State or issued by international lending agencies and bonds or securities issued by good quality private issuers) or cash as collateral. There is no correlation policy insofar as the sub-fund will receive mainly government securities of the eurozone and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility, diversified issuers that are not an entity of the counterparty or its group.

Discounts may be applied to the collateral received; they shall take into account, in particular, the credit quality and the volatility of the prices of the securities. The valuation is performed at least on a daily basis.

Financial collateral received must be able to give rise to a full execution by the sub-fund at any time and without consultation or approval of the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash must only be:

- placed in deposit accounts;
- invested in high-quality government bonds;
- used for the purposes of reverse repurchase agreement transactions, provided that these transactions are entered into with credit institutions subject to prudential supervision and that the sub-fund can, at any time, recall the total amount of cash, taking into account the accrued interest;
- invested in money market collective investment schemes.

**Risk profile:**

Investors are exposed via the sub-fund primarily to the following risks, especially by investment in UCIs selected by the management company. These instruments will be subject to market fluctuations and uncertainties.

1- Risk of capital loss:

Unitholders have no capital guarantee. Therefore, not all of the capital invested may be returned to them.

2- Risk associated with discretionary management:

The discretionary management style is based on anticipating trends on the various markets (equities, bonds). There is the risk that the sub-fund will not always be invested in the best-performing markets. Therefore, it is possible that its performance may not be in line with its objectives.

3- Equity risk:

The sub-fund may experience:

- a. a risk associated with indirect investments in and/or exposure to equities;
- b. a risk linked to indirect investment exposure to large caps, mid-caps, and small caps.

**Investors should be aware that small-cap markets are intended to accommodate businesses that, because of their specific characteristics, may present risks for investments, which may reduce the sub-fund's net asset value.**

Any downturn in the equity market may thus result in a reduction in the sub-fund's net asset value.

4- Risk linked to investments in emerging countries:

Investors should note that the operating and supervision conditions of the markets on which the sub-fund will trade (non-OECD markets including emerging countries) may deviate from the standards prevailing on the major international markets, which may reduce the sub-fund's net asset value.

5- Currency risk:

Unitholders may be exposed to foreign exchange risk. Some assets are expressed in a currency other than the sub-fund's accounting currency; therefore, a change in exchange rates may result in a reduction in the sub-fund's net asset value;

6- Interest rate risk:

Risk linked to indirect investments in fixed-income products and their sensitivity to movements on the yield curves. Thus, an increase in interest rates will result in a reduction in the sub-fund's net asset value.

7- Credit risk:

Risk of a deterioration of credit quality or default of an issuer present in the portfolio. As such, in the event of positive credit risk exposure, an increase in credit spreads may cause a reduction in the sub-fund's net asset value.

**Investors are reminded that high-yield debt securities present a greater credit risk, which may lead to a greater reduction in the sub-fund's net asset value.**

8- Liquidity risk on the sub-fund linked to low liquidity on the underlying markets, which makes them sensitive to significant buy/sell flows; this could lead to a reduction in the sub-fund's net asset value.9- Risk associated with absolute return management strategies:

Absolute return management strategies employ techniques that take advantage of observed (or anticipated) differences in prices between markets and/or sectors and/or securities and/or currencies and/or instruments. If the markets move against these positions (for example, if they rise for short transactions and/or fall for long transactions) the NAV of these UCIs or investment funds could fall. It is also possible that these management strategies lead to a drop in the net asset value of the sub-fund in the event of an upturn in the financial markets (equities and/or bonds and/or commodities).

10- Counterparty risk:

The sub-fund may use securities financing transactions and/or over-the-counter derivatives. These transactions, entered into with a counterparty, expose the sub-fund to a risk of the counterparty's default, which may cause the net asset value of the sub-fund to decline. Nevertheless, the counterparty risk may be limited by establishing guarantees granted to the sub-fund in accordance with the regulations in force.

11- Risks associated with securities financing transactions:

In addition to the counterparty risk previously mentioned, the use of these techniques, the management of their collateral, and collateral reuse involve certain specific risks such as the possibility of a lack of liquidity for any instrument, possible risks in relation with the legal documentation, the application of the contracts, and their limits, operational and custodial risks, a risk of incorrect valuation, and a counterparty risk. If use of these transactions proves to be inadequate, ineffective, or a failure due to market conditions, the sub-fund may suffer significant losses that will have a negative effect on the sub-fund's net asset value.

**Guarantee or protection:** None

**Eligible subscribers and typical investor profile:** All subscribers



Typical profile:

The sub-fund is intended for investors who are seeking a diversified investment vehicle.

The amount that can be reasonably invested in this sub-fund depends on each unitholder's personal situation. To determine this amount, unitholders must consider their personal wealth, their current needs, and their needs over the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment. Investors are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this sub-fund.

**Recommended investment period:** 4 years or more

**Establishment and allocation of distributable amounts:**

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the sub-fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

- 1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;
- 2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be accumulated and/or paid out and/or retained, independently of each other, in whole or in part, according to the procedures described below. Amounts available for distribution must be paid within a maximum period of five months from the year-end.

- C share: accumulation share
- D share: distribution share, full distribution of the net income as defined in 1) above, concerning the capital gains or losses defined in 2) above, the management company may distribute them (fully or partially) and/or carry them forward (fully or partially).

For accumulation shares: amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory payout by law.

For distribution shares: full payout of the net income as defined in 1) above, concerning the capital gains or losses defined in 2) above, the management company may, each year, accumulate them (fully or partially) and/or pay them out (fully or partially) and/or retain them (fully or partially).

**Distribution frequency:**

- C share: Accumulation share
- D share: Annual on the decision of the Annual General Meeting with the possibility of an interim distribution on the decision of the Board of Directors.

**Share characteristics:**

Share name	ISIN code	Allocation of amounts available for distribution	Currency of issue	Minimum initial	Fractional units	Eligible subscribers
C	FR0007035571	Accumulation	Euro	€ 100	Ten-thousandths	All subscribers
D	FR0013329349	Income	Euro	€ 100	Ten-thousandths	All subscribers

**Subscription and redemption:**

Subscription and redemption requests are received and centralised each day at twelve (12) pm at Rothschild Martin Maurel (D-1) and executed on the basis of the net asset value of the following business day (D). Settlement and delivery of securities will take place on the third business day following the NAV execution date (D+3).



Any shareholder may request the conversion of shares of one sub-fund or share class into another sub-fund or share class. A shareholder making such a request must comply with the redemption and subscription conditions relating to the quality of investors and with the minimum investment thresholds applicable to each of the sub-funds and/or share classes concerned.

Orders are executed in accordance with the table below:

D-1 business day	D-1 business day	D: day of NAV calculation	D+1 business day	D+3 business days	D+3 business days
Centralisation of subscription orders before 12 pm <sup>1</sup>	Centralisation of redemption orders before 12 pm <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

**Receipt of subscriptions and redemptions:**

Rothschild Martin Maurel – 29, avenue de Messine – 75008 Paris.

**Determination of net asset value:**

The net asset value is calculated on all business days of the Paris stock exchange, with the exception of public holidays in France (Euronext official calendar), even if the reference stock exchange is open; in that event, it is calculated on the first business day before.

➤ **Charges and fees:**

• **Subscription and redemption fees:**

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or decrease the redemption price received. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund in investing or divesting the entrusted assets. Any fees not retained by the UCITS are paid to the management company, marketer, distributor, etc.

Fees payable by the investor, charged upon subscription or redemption	Base	Rate
Subscription fee not payable to the sub-fund	Net asset value * Number of shares	Maximum 5%
Subscription fee payable to the sub-fund	Net asset value * Number of shares	None
Redemption fee not payable to the sub-fund	Net asset value * Number of shares	None
Redemption fee payable to the sub-fund	Net asset value * Number of shares	None

• **Operating and management charges**

These charges cover all costs billed directly to the sub-fund, with the exception of transaction costs. Transaction charges include intermediation charges (brokerage, etc.) and the transaction fee, where applicable, which may be collected particularly by the custodian and the management company.

The following may be added to the operating and management fees:

- performance fees. These remunerate the Management Company for achieving performance in excess of the sub-fund's objectives. They are charged to the sub-fund;
- activity fees charged to the sub-fund;
- a share of the income from securities financing transactions.

For more information on the charges actually billed to the sub-fund, refer to the Key Investor Information Document.



	Fees charged to the sub-fund	Base	Rate/Scale
1	Financial management fees	Net assets excluding units or shares of UCI managed by Rothschild & Co Asset Management Europe	Maximum 1.2%, all taxes included*
2	Administrative fees external to the management company		
3	Maximum indirect charges (fees and management charges)	Net assets	Maximum 2%, all taxes included
4	Transaction fees  <u>Depository</u> : between 0% and 50% <u>Management Company</u> : between 50% and 100%	Deduction from each transaction	0.03% on French and foreign bonds 0.30% on French shares 0.40% on foreign shares  As from 17 August 2020: Purchase operation on EMTN/structured certificates: 1% Sale operation on EMTN/structured certificates: 0.5%
5	**Performance fee	Net assets	15% including taxes*** of the annual outperformance net of fees of the sub-fund over the composite benchmark index (20% MSCI USA NR EUR + 20% MSCI Europe NR EUR + 4% MSCI Japan NR EUR + 6% MSCI Emerging Markets NR EUR + 50% 3-month EURIBOR dividends reinvested and converted into euros, with each of the components valued on the business day D-1 against the net asset value date) and the highest net asset value of an accounting period having previously been subject to a deduction (see calculation method below).

\* The management company is exempt from VAT.

\*\* The performance fee shall be applicable with effect from 1 January 2019.

\*\*\* Performance fees may not be deducted for a reference period of less than one year. The first deduction shall therefore take place on the basis of the last NAV of the end of the financial year ending in December 2019.

Research-related expenses within the meaning of Article 314-21 of the AMF's General Regulation can be charged to the sub-fund.

#### Calculation of the performance fee:

The performance fee is calculated on a maximum history of three years by comparing the evolution of the sub-fund's assets (coupon reinvested and excluding variable management fees) with the assets of a reference fund:

- the starting value of which is that of the sub-fund's assets (i) at the closing of the previous financial year if performance fees were deducted at this closing or, failing that, (ii) at the closing of the most recent financial year having given rise to the deduction of a performance fee over the last three financial years if performance fees were deducted for one of these financial years or, failing that, (iii) at the closing of the third financial year preceding if no performance fees were deducted for the past two financial years (iv) or, failing that, on 1 January 2019;
- and which yields a daily performance equal to that of the benchmark recording the same variations in subscriptions and redemptions as the sub-fund.

If, at the closing of the financial year, the sub-fund's assets (excluding variable management fees) are greater than the assets of the reference sub-fund with the above starting value, then a performance fee equal to 15% including taxes of the valuation difference between the sub-fund's assets and the reference fund is deducted.

A provision for these fees is set aside at each calculation of the net asset value and actually collected each year on the closing date of the financial year.



The provision shall be written back each time the difference between the two asset values decreases. In the event of underperformance (the sub-fund's assets are less than the reference fund's assets), the provisions shall be written back until the overall allocation is depleted, excluding any accrued variable management fees.

Any provisions existing at the end of the financial year and the share of the commission coming from share redemptions during the financial year shall be paid to the management company.

Securities lending or borrowing is remunerated on a pro rata temporis basis according to a fixed or variable rate that depends on market conditions.

**Securities financing transactions:**

For its securities financing transactions involving the sale of securities, the sub-fund's service provider shall be one or more credit institutions having their head office in a Member State of the European Union. The service providers shall act independently of the sub-fund and shall systematically be counterparties of transactions on the market. These service providers shall belong to the Rothschild & Co Group or an entity of the group to which it belongs (hereinafter "Entity"). As such, the Entity's performance of the transactions may generate a potential conflict of interest.

No remuneration is retained by the Depositary (as part of its custodian function) or the management company on securities financing transactions. All income from these transactions shall be fully collected by the sub-fund. These transactions generate costs borne by the sub-fund; the billing by the Entity may not exceed 50% of the income generated by these transactions.

In addition, the management company does not receive any soft commission.

For any additional information, please refer to the sub-fund's annual report.

**Intermediary selection procedure**

Rothschild & Co Asset Management Europe takes meticulous care in choosing its intermediaries. They are selected on the basis of the quality of their research, but also their speed and reliability in the execution and processing of orders. We therefore choose those we consider to be the best following a rigorous, regular process.



## Sub-fund No. 7: RMM STRATEGIE DYNAMIQUE

### ➤ **General characteristics**

#### **ISIN code:**

C share: FR0007035563

D share: FR0013329505

#### **Share characteristics:**

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the SICAV sub-fund in proportion to the number of shares held.

Specification of methods of managing liabilities:

Liabilities are managed by Rothschild Martin Maurel. Admission of the shares is done in Euroclear France.

Voting rights: Each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.

Form of the shares: Bearer

Fractional shares: The sub-fund's shares are broken down into ten-thousandths of shares.

**Closing date of the accounting year:** Last trading day of December.

First closing: 31 December 2018

#### **Taxation:**

This sub-fund may serve as units of account for life insurance contracts.

The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each subscriber and/or the investment jurisdiction of the sub-fund. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time are generally regarded as taxable.

### ➤ **Special provisions**

#### **Investment objective:**

The investment objective of the sub-fund is to outperform the composite benchmark (30% MSCI USA NR EUR + 30% MSCI Europe NR EUR + 6% MSCI Japan NR EUR + 9% MSCI Emerging Markets NR EUR + 25% 3-month EURIBOR) net of fees over the recommended investment period of five (5) years or more, via discretionary management.

#### **Benchmark:**

The benchmark is a composite index, distributed as follows: 30% MSCI USA NR EUR (Bloomberg code: MSDEUSN Index) + 30% MSCI Europe NR EUR (Bloomberg code: MSDEE15N Index) + 6% MSCI Japan NR EUR (Bloomberg code: MSDEJNN Index) + 9% MSCI Emerging Markets NR EUR (Bloomberg code: MSDEEEMN Index) + 25% 3-month EURIBOR.

The index MSCI USA NR EUR (Bloomberg code: MSDEUSN Index) represents the largest companies in the US, net dividends reinvested and converted into euros.

The index MSCI Europe NR EUR (Bloomberg code: MSDEE15N Index) represents the largest companies in Europe, net dividends reinvested and converted into euros.

The index MSCI Japan NR EUR (Bloomberg code: MSDEJNN Index) represents the largest companies in Japan, net dividends reinvested and converted into euros.

The index MSCI Emerging Markets NR EUR (Bloomberg code: MSDEEEMN Index) includes the largest companies in non-OECD countries, net dividends reinvested and converted into euros.

These indexes are calculated and administered by MSCI and are available at the following URL: [www.msci.com](http://www.msci.com).

The 3-month EURIBOR (Euro Interbank Offered Rate) is the average interest rate at which 25/40 leading European banks make loans in euros with a 3-month maturity. It is calculated on every business day at 11 am CET and published by the European Banking Federation (EFB) (Bloomberg code: EUR003M Index). This index is available online at <http://fr.euribor-rates.eu/>.



As of the date of the last update of this prospectus, only the administrator Morgan Stanley Capital International Inc. of the MSCI benchmark indexes is entered on the register of administrators and benchmark indexes maintained by the ESMA. The administrator of the 3-month EURIBOR is exempt from article 2.2 of the benchmark regulation as a central bank and as such is not entered on the register maintained by the ESMA.

In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company has a procedure for monitoring the benchmarks used describing the measures to be implemented in the event of substantial changes to an index or if that index ceases to be provided.

As the portfolio is not intended to replicate the benchmark index and its components exactly, the performance of the net asset value of the sub-fund may differ from that of the composite index.

The objective of the sub-fund is to outperform its benchmark, 30% MSCI USA NR EUR (Bloomberg code: MSDEUSN Index) + 30% MSCI Europe NR EUR (Bloomberg code: MSDEE15N Index) + 6% MSCI Japan NR EUR (Bloomberg code: MSDEJNN Index) + 9% MSCI Emerging Markets NR EUR (Bloomberg code: MSDEEEMN Index) + 25% EURIBOR 3 months, over the recommended investment period. The asset mix of this sub-fund may differ significantly from the composition of the benchmark index.

### Investment strategy:

#### a. Description of strategies used:

The sub-fund RMM Stratégie Dynamique is invested via a rigorous quantitative and qualitative selection process carried out by the management company (as described below), directly and via UCIs, in fixed-income or convertible products directly and via UCIs, in equities products according to market opportunities, and in money market UCIs, UCIs presenting a diversified allocation, and/or absolute return UCIs.

### Overall strategic allocation of the portfolio:

With a view to achieving the investment objective, the sub-fund RMM Stratégie Dynamique may invest:

- ✓ Between 0% and 100%, directly and via UCIs, in equities products in all geographical zones (including 30% maximum in non-OECD countries including emerging countries) and of all sizes (up to 30% in small caps) and in all sectors;
- ✓ Between 0% and 50%, directly and via UCIs, in fixed-income products and/or convertibles (up to 20% of net assets) in all geographical zones (including 30% maximum in non-OECD countries including emerging countries) and all credit qualities (up to 30% in high-yield or non-rated securities), both government and private-sector securities;
- ✓ Between 0% and 50% in money market UCIs;
- ✓ Between 0% and 30% in UCIs or investment funds using different types of alternative management applied to all financial asset classes. Investments are diversified across markets, management methodologies and investment managers;
- ✓ Liquid assets on an incidental basis.

Up to 30% of the sub-fund's net assets may be exposed to risks associated with small caps.

The sub-fund may invest up to 30% of its net assets in subordinated bonds, including 10% in contingent convertible bonds.

Absolute return management is a generic definition that encompasses non-traditional management techniques. Absolute return management strategies have a common objective: search for performance uncorrelated to (or differentiated from) to that of the main markets (currencies, bonds, stocks, or futures indexes). To that end, most of them seek to carry out arbitrage transactions and take advantage of market inefficiencies or imperfections, for example by simultaneously taking bull positions on certain assets and bear positions on other assets, on the basis of fundamental, technical, or statistical analyses.

The sub-fund invests (up to 30% of its net assets) in UCIs using the following absolute return strategies:

- "Long/short" strategies, in which the sub-fund may invest between 0% and 30% of its net assets, is the simultaneous holding of (a) long positions in stocks with upside potential and (b) short positions in stocks with



downside potential. The manager has the capacity to adjust the resulting net market exposure depending on projected economic scenarios.

- The aim of “arbitrage/relative value” strategies, in which the sub-fund may invest between 0% and 30% of its net assets, is to exploit pricing anomalies in various asset classes. These strategies involve stocks, bonds, convertible bonds, other interest rate instruments, etc.
- “Global Macro” strategies, in which the sub-fund may invest between 0% and 30% of its net assets, are based on a macroeconomic analysis of economies and markets to formulate investment themes and invest on all markets on a discretionary basis. “Global Macro” managers invest without limitation of geographical area or asset type: stocks, bonds, currencies, derivatives, etc. They seek to anticipate market changes on the basis of major macroeconomic variables and especially interest rate fluctuations. They apply opportunistic management, based on an identification and an evaluation specific to the manager. These movements can result from changes in global economies, political uncertainties, or global supply and demand with regard to physical and financial resources.
- “Systematic” strategies, in which the sub-fund may invest between 0% and 30% of its net assets, are based on algorithms and automated trading (through mathematical models) aiming to exploit various market characteristics (trend, volatility, mean reversion, etc.). These strategies use mainly futures contracts on asset classes such as stocks, bonds, foreign exchange, and commodities.
- “Special Situations”/“Event-Driven” strategies, in which the sub-fund may invest between 0% and 30% of its net assets, involve taking advantage of opportunities created by major events related to a company’s corporate structure, such as spin-off, merger, acquisition, bankruptcy, reorganisation, share buyback, or change in management. Arbitrage between the various parts of the company’s capital is part of this strategy.

#### **Criteria for selecting securities:**

The management process for the sub-fund combines the Top-Down and Bottom-Up approaches, thus identifying two sources of added value:

- The selection of securities is based on a fundamental approach that involves two steps:
  - A quantitative analysis to determine the attractiveness of valuation using ratios tailored to each industry (Enterprise Value/Capital Employed, Enterprise Value/Gross Operating Result, PER, etc.)
  - A qualitative analysis based on understanding the competition and how profitability is constructed (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.).

Most of the added value of our process therefore relies on a “bottom-up” approach, based on the fundamental analysis of companies, to assess whether the implicit profitability assumptions resulting from the valuation appear justified, overvalued, or undervalued.

Sector allocation resulting from a comparison between “bottom-up” and “top-down” analyses.

- A “top-down” dimension makes it possible to incorporate a number of parameters influencing profitability outlooks for various sectors into the fundamental analysis: interest rates, foreign exchange rates, changes in the demand, etc. It allows the risks from the “bottom-up” analysis to be identified and assumed.

#### **Selection of underlying funds:**

The portfolio of the sub-fund RMM Stratégie Dynamique has a diversified allocation and is managed on an active and discretionary basis in terms of styles, geographical areas, and products. The investment management process is built around two processes determined collectively:

- ✓ Definition of the overall allocation in terms of asset classes, geographical areas, and styles, according to a global macroeconomic and microeconomic analysis.
- ✓ Selection of UCIs, on the basis of a quantitative then qualitative analysis of the UCIs in the investment universe:
  - The quantitative part includes a series of filters (minimum assets under management, price history, etc.) highlighting the preselected UCIs as well as a battery of statistical indicators (performance and risk analyses) to identify consistency in the performance levels of UCIs in their respective category.
  - After this first analysis, an in-depth qualitative study is performed on the UCIs repeatedly offering the best performance over uniform periods. Regular meetings with the managers of the examined UCIs allow the consistency between the objectives, the resources put in place, and the results obtained by the analysed managers to be assessed.

Existence of a possible currency risk on all types of currency for French residents in the eurozone (up to 100% of the sub-fund’s assets).



**b. Description of the classes of assets (excluding embedded derivatives) and financial contracts used:**

All asset classes included in the composition of the assets of the sub-fund are:

- **Equities:** 0-100% of net assets

Within the holding range specified in the table below, the sub-fund shall invest and/or shall be exposed in equity products. The sectoral and geographical distribution of issuers is not determined in advance and shall be determined according to market opportunities in all industrial sectors and all sizes of market capitalisation.

- **Debt securities, money market instruments, and bonds:** 0-50% of net assets

Within the limit of the holding range specified below, the sub-fund shall invest in and/or be exposed to bonds and short-term negotiable securities (including certificates of deposit and treasury notes issued before 31 May 2016) and Euro Commercial Paper) at fixed, variable, or adjustable rates, participating securities, indexed bonds, and convertible bonds (up to 20% maximum). The sub-fund may invest up to 30% of its net assets in subordinated bonds, including 10% maximum in contingent convertible bonds. The private/public debt distribution is not determined in advance and shall be determined based on market opportunities. In all cases, the exposure to high-yield bonds and/or non-rated bonds shall not exceed 30%.

- **Holding of shares or units of other UCITS, AIFs, or investment funds governed by foreign law,** including listed UCIs/ETFs: 0-100% of net assets

Within the holding range specified below, the sub-fund may hold:

- units or shares of UCITS of all classes, including French and/or European listed UCITS/ETFs subject to European directive 2009/65/EC that may invest no more than 10% of their assets in units or shares of other UCIs or investment funds;
- for up to 20%, units or shares of other French or foreign UCIs of all classes, including listed UCIs/ETFs, or foreign investment funds, which meet the four conditions set out in Article R. 214-13 of the French monetary and financial code.

Note: The sub-fund may, in particular, invest its assets in units or shares of UCITS, AIFs or investment funds managed by the Rothschild & Co. group.

**For each of the classes mentioned above:**

	Equities	Fixed-income products	UCI
Holding ranges	0-100%	0-50%	0-100%
Investment in small caps	0-30%	None	0-30%
Investment in financial instruments of non-OECD countries	0-30%	0-30%	0-60%

**c. Derivatives:**

The sub-fund may trade on regulated, organised, or OTC markets.

The manager shall trade on equity, interest rate, credit, and currency risk. In order to achieve the investment objective, these interventions shall be done for portfolio hedging (sale of futures) and exposure to reconstitute a synthetic exposure to assets (purchase of futures). In particular, the manager may trade futures, options, swaps (TRS up to 50% of the fund's net assets) and forwards, and credit derivatives (credit default swaps).

The portfolio's overall equity market exposure, including exposure resulting from the use of derivatives, shall not exceed 100%.

The overall fixed-income market exposure, including exposure resulting from the use of derivatives, will allow the portfolio's sensitivity to remain within a range of between -1 and 9.

The portfolio's consolidated currency risk exposure, including exposure resulting from the use of derivatives, shall not exceed 100%.



The consolidated exposure in the equities, foreign exchange and fixed-income markets, including exposure resulting from the use of derivatives, shall not exceed 200%.

**Credit derivatives:**

The credit allocation is determined at the discretion of the manager.

The credit derivatives used are baskets of CDS and CDS on a single issuer.

These credit derivatives are used for hedging purposes through the purchase of protection:

- in order to limit the risk of capital loss on certain issuers (present in the portfolio)
- in order to benefit from the anticipated deterioration of the credit quality of an issuer or a basket of issuers not present in the portfolio greater than that of an exposure present in the portfolio

and for exposure, through the sale of protection, to:

- the credit risk of an issuer
- the credit risk on baskets of CDS

CDSs may be used for credit risk exposure or hedging of the portfolio's credit risk.

The percentage of the fund's assets corresponding to the use of credit derivatives is between 0% and 100%.

**Total Return Swaps:** In particular, up to a limit of 50% of its net assets, the sub-fund may use Total Return Swaps. The aim of these financial forwards is to trade on the performance of a security, a basket of securities, or an index.

Derivatives will be used primarily to:

- synthetically reconstruct the portfolio's exposure to the bond market;
- partially hedge the assets in the portfolio against interest rate and credit risk.

**d. Securities with embedded derivatives:**

To achieve the management objective, the use of securities with embedded derivatives is limited to 50% of net assets. This limit includes the use of (i) warrants, (ii) EMTN/structured certificates including autocalls (up to 30% of net assets), (iii) callable and puttable bonds, including make whole calls (up to 30% of net assets), (iv) convertible bonds (up to 20% of net assets), (v) contingent convertible bonds (up to 10% of net assets) as well as securities with simple embedded derivatives presenting a risk type similar to that of the previously listed instruments.

The portfolio's overall equity market exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 100%.

The portfolio's overall fixed-income market exposure, including exposure resulting from the use of securities with embedded derivatives, will allow the portfolio's sensitivity to remain within a range of between -1 and 9.

The portfolio's total foreign exchange exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 100%.

**e. Deposits:** 0-50% of net assets.

**f. Cash loans:**

Within a limit of 10% of its assets, the sub-fund may resort to loans, particularly in order to compensate for deferred payment methods for asset movements.

**g. Securities financing transactions:**

- General description of transactions:
  - Purpose of the transactions:

Securities financing transactions shall be carried out in accordance with the French monetary and financial code. They shall be conducted as part of cash management and/or optimisation of the sub-fund's income.

- Type of transactions used:

These transactions shall consist of securities lending and borrowing and/or repurchase and reverse repurchase agreements, fixed-income products, or credit products (debt securities and money market instruments) from issuers of OECD member countries.

- General information for each type of transaction:
  - Level of intended use:



Securities financing transactions involving disposals (securities lending, repurchase agreements) of securities may be carried out for up to 100% of the sub-fund's assets.

Securities financing transactions involving acquisitions (securities borrowing, reverse repurchase agreements) of securities may be carried out for up to 10% of the sub-fund's assets. This limit may be increased to 100% in the case of repurchase agreements for cash, on condition that the financial instruments repurchased are not subject to a sale transaction.

The expected proportion of assets under management that will be the subject of such a transaction may represent 10% of the assets.

- Remuneration:

Additional information about the remuneration is provided in the "Charges and fees" section.

- Information on the counterparties, collateral, and risks:

- Collateral:

The collateral received as part of these transactions will be the subject of a discount according to the principle described in the section "Information about the SICAV's financial collateral". The Collateral shall be kept by the custodian of the SICAV. For more information about the guarantees, refer to the section "Information about the SICAV's financial collateral".

- Selection of Counterparties:

A procedure for selecting counterparties with which these transactions are entered into makes it possible to prevent the risk of a conflict of interest when these transactions are used. These counterparties shall be Credit Institutions having their registered office in a member State of the European Union and with a minimum rating of A. Additional information about the counterparty selection procedure is provided in the "Charges and fees" section.

- Risks: refer to the section "Risk profile" and especially "counterparty risk".

Information about the financial collateral of the sub-fund:

As part of securities financing transactions and transactions on OTC derivatives, the sub-fund may receive securities (such as bonds or securities issued or guaranteed by a State or issued by international lending agencies and bonds or securities issued by good quality private issuers) or cash as collateral. There is no correlation policy insofar as the sub-fund will receive mainly government securities of the eurozone and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility, diversified issuers that are not an entity of the counterparty or its group.

Discounts may be applied to the collateral received; they shall take into account, in particular, the credit quality and the volatility of the prices of the securities. The valuation is performed at least on a daily basis.

Financial collateral received must be able to give rise to a full execution by the sub-fund at any time and without consultation or approval of the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash must only be:

- placed in deposit accounts;
- invested in high-quality government bonds;
- used for the purposes of reverse repurchase agreement transactions, provided that these transactions are entered into with credit institutions subject to prudential supervision and that the sub-fund can, at any time, recall the total amount of cash, taking into account the accrued interest;
- invested in money market collective investment schemes.

**Risk profile:**

Investors are exposed via the sub-fund primarily to the following risks, especially by investment in UCIs selected by the management company. These instruments will be subject to market fluctuations and uncertainties.

1- Risk of capital loss:

Unitholders have no capital guarantee. Therefore, not all of the capital invested may be returned to them.

2- Risk associated with discretionary management:

The discretionary management style is based on anticipating trends on the various markets (equities, bonds). There is the risk that the sub-fund will not always be invested in the best-performing markets. Therefore, it is possible that its performance may not be in line with its objectives.



### 3- Equity risk:

The sub-fund may experience:

- a. a risk associated with indirect investments in and/or exposure to equities;
- b. a risk linked to indirect investment exposure to large caps, mid-caps, and small caps.

**Investors should be aware that small-cap markets are intended to accommodate businesses that, because of their specific characteristics, may present risks for investments, which may reduce the sub-fund's net asset value.**

Any downturn in the equity market may thus result in a reduction in the sub-fund's net asset value.

- 4- Risk linked to investments in emerging countries: Investors should note that the operating and supervision conditions of the markets on which the sub-fund will trade (non-OECD markets including emerging countries) may deviate from the standards prevailing on the major international markets, which may reduce the sub-fund's net asset value.
- 5- Currency risk: the unitholder may be exposed to currency risk. Some assets are expressed in a currency other than the sub-fund's accounting currency; therefore, a change in exchange rates may result in a reduction in the sub-fund's net asset value;
- 6- Interest rate risk: risk linked to indirect investments in fixed-income products and their sensitivity to movements on the yield curves. Thus, an increase in interest rates will result in a reduction in the sub-fund's net asset value.
- 7- Credit risk: risk of a deterioration of credit quality or default of an issuer present in the portfolio. As such, in the event of positive credit risk exposure, an increase in credit spreads may cause a reduction in the sub-fund's net asset value.  
**Investors are reminded that high-yield debt securities present a greater credit risk, which may lead to a greater reduction in the sub-fund's net asset value.**
- 8- Liquidity risk on the sub-fund linked to low liquidity on the underlying markets, which makes them sensitive to significant buy/sell flows; this could lead to a reduction in the sub-fund's net asset value.
- 9- Risk associated with absolute return strategies: Absolute return management strategies employ techniques that take advantage, in particular, of observed or anticipated differences in prices between markets, sectors, securities, currencies, and instruments. If the markets move against these positions (for example, if they rise for short transactions and/or fall for long transactions) the NAV of these UCIs or investment funds could fall. It is also possible that these management strategies lead to a drop in the net asset value of the sub-fund in the event of an upturn in the financial markets (equities and/or bonds and/or commodities).
- 10- Counterparty risk: The sub-fund may use securities financing transactions and/or over-the-counter derivatives. These transactions, entered into with a counterparty, expose the sub-fund to a risk of the counterparty's default, which may cause the net asset value of the sub-fund to decline. Nevertheless, the counterparty risk may be limited by establishing guarantees granted to the sub-fund in accordance with the regulations in force.
- 11- Risks associated with securities financing transactions: In addition to the counterparty risk previously mentioned, the use of these techniques, the management of their collateral, and collateral reuse involve certain specific risks such as the possibility of a lack of liquidity for any instrument, possible risks in relation with the legal documentation, the application of the contracts, and their limits, operational and custodial risks, a risk of incorrect valuation, and a counterparty risk. If use of these transactions proves to be inadequate, ineffective, or a failure due to market conditions, the sub-fund may suffer significant losses that will have a negative effect on the sub-fund's net asset value.

**Guarantee or protection:** None

**Target subscribers and typical investor profile:** All subscribers

The sub-fund is intended for investors who are seeking a diversified investment vehicle.

The amount that can be reasonably invested in this sub-fund depends on each unitholder's personal situation. To determine this amount, unitholders must consider their personal wealth, their current needs, and their needs over the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment. Investors are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this sub-fund.



**Recommended investment period:** 5 years or more

**Establishment and allocation of distributable amounts:**

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the sub-fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

- 1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;
- 2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be distributed independently of each other, in whole or in part, according to the procedures described below. Amounts available for distribution must be paid within a maximum period of five months from the year-end.

- C share: accumulation share
- D share: distribution share, full distribution of the net income as defined in 1) above, concerning the capital gains or losses defined in 2) above, the management company may distribute them (fully or partially) and/or carry them forward (fully or partially).

For accumulation shares: amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory payout by law.

For distribution shares: full payout of the net income as defined in 1) above, concerning the capital gains or losses defined in 2) above, the management company may, each year, accumulate them (fully or partially) and/or pay them out (fully or partially) and/or retain them (fully or partially).

**Distribution frequency:**

- C share: accumulation share
- D share: Annual on the decision of the Annual General Meeting with the possibility of an interim distribution on the decision of the Board of Directors.

**Share characteristics:**

Share name	ISIN code	Allocation of amounts available for distribution	Currency of issue	Minimum initial	Fractional units	Eligible subscribers
C	FR0007035563	Accumulation	Euro	€ 100	Ten-thousandths	All subscribers
D	FR0013329505	Income	Euro	€ 100	Ten-thousandths	All subscribers

**Subscription and redemption:**

Subscription and redemption requests are received and centralised each day at twelve (12) pm at Rothschild Martin Maurel (D-1) and executed on the basis of the net asset value of the following business day (D). Settlement and delivery of securities will take place on the third business day following the NAV execution date (D+3).

Any shareholder may request the conversion of shares of one sub-fund or share class into another sub-fund or share class. A shareholder making such a request must comply with the redemption and subscription conditions relating to the quality of investors and with the minimum investment thresholds applicable to each of the sub-funds and/or share classes concerned.

Orders are executed in accordance with the table below:



D-1 business day	D-1 business day	D: day of NAV calculation	D+1 business day	D+3 business days	D+3 business days
Centralisation of subscription orders before 12 pm <sup>1</sup>	Centralisation of redemption orders before 12 pm <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

#### **Receipt of subscriptions and redemptions:**

Rothschild Martin Maurel – 29, avenue de Messine – 75008 Paris.

#### **Determination of net asset value:**

The net asset value is calculated on all business days of the Paris stock exchange, with the exception of public holidays in France (Euronext official calendar), even if the reference stock exchange is open; in that event, it is calculated on the first business day before.

#### ➤ **Charges and fees:**

##### • **Subscription and redemption fees:**

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or decrease the redemption price received. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund in investing or divesting the entrusted assets. Any fees not retained by the UCITS are paid to the management company, marketer, distributor, etc.

<b>Fees payable by the investor, charged upon subscription or redemption</b>	<b>Base</b>	<b>Rate</b>
Subscription fee not payable to the sub-fund	Net asset value * Number of shares	Maximum 5%
Subscription fee payable to the sub-fund	Net asset value * Number of shares	None
Redemption fee not payable to the sub-fund	Net asset value * Number of shares	None
Redemption fee payable to the sub-fund	Net asset value * Number of shares	None

##### • **Operating and management charges:**

These charges cover all costs billed directly to the sub-fund, with the exception of transaction costs. Transaction charges include intermediation charges (brokerage, etc.) and the transaction fee, where applicable, which may be collected particularly by the custodian and the management company.

The following may be added to the operating and management fees:

- performance fees. These remunerate the Management Company for achieving performance in excess of the sub-fund's objectives. They are charged to the sub-fund;
- activity fees charged to the sub-fund;
- a share of the income from securities financing transactions.

For more information on the charges actually billed to the sub-fund, refer to the Key Investor Information Document.

	<b>Fees charged to the sub-fund</b>	<b>Base</b>	<b>Rate/Scale</b>
1	Financial management fees	Net assets excluding units or shares of UCI managed by Rothschild & Co Asset Management Europe	Maximum 1.4%, all taxes included*
2	Administrative fees external to the management company		
3	Maximum indirect charges (fees and management charges)	Net assets	Maximum 2%, all taxes included



4	<p>Transaction fees</p> <p><u>Depository</u>: between 0% and 50%</p> <p><u>Management Company</u>: between 50% and 100%</p>	Deduction from each transaction	<p>0.03% on French and foreign bonds 0.30% on French shares 0.40% on foreign shares 2% of the premium on options on equities and equity indexes</p> <p>As from 17 August 2020: Purchase operation on EMTN/structured certificates: 1% Sale operation on EMTN/structured certificates: 0.5%</p>
5	**Performance fee	Net assets	<p>15% including taxes*** of the annual outperformance net of fees of the sub-fund over the composite benchmark index (30% MSCI USA NR EUR + 30% MSCI Europe NR EUR + 6% MSCI Japan NR EUR + 9% MSCI Emerging Markets NR EUR + 25% 3-month EURIBOR dividends reinvested and converted into euros, with each of the components valued on the business day D-1 against the net asset value date) and the highest net asset value of an accounting period having previously been subject to a deduction (see calculation method below).</p>

\* The management company is exempt from VAT.

\*\* The performance fee shall be applicable with effect from 1 January 2019.

\*\*\* Performance fees may not be deducted for a reference period of less than one year. The first deduction shall therefore take place on the basis of the last NAV of the end of the financial year ending in December 2019.

Research-related expenses within the meaning of Article 314-21 of the AMF's General Regulation can be charged to the sub-fund.

#### Calculation of the performance fee:

The performance fee is calculated on a maximum history of three years by comparing the evolution of the sub-fund's assets (coupon reinvested and excluding variable management fees) with the assets of a reference fund:

- the starting value of which is that of the sub-fund's assets (i) at the closing of the previous financial year if performance fees were deducted at this closing or, failing that, (ii) at the closing of the most recent financial year having given rise to the deduction of a performance fee over the last three financial years if performance fees were deducted for one of these financial years or, failing that, (iii) at the closing of the third financial year preceding if no performance fees were deducted for the past two financial years (iv) or, failing that, on 1 January 2019;
- and which yields a daily performance equal to that of the benchmark recording the same variations in subscriptions and redemptions as the sub-fund.

If, at the closing of the financial year, the sub-fund's assets (excluding variable management fees) are greater than the assets of the reference sub-fund with the above starting value, then a performance fee equal to 15% including taxes of the valuation difference between the sub-fund's assets and the reference fund is deducted.

A provision for these fees is set aside at each calculation of the net asset value and actually collected each year on the closing date of the financial year.

The provision shall be written back each time the difference between the two asset values decreases. In the event of underperformance (the sub-fund's assets are less than the reference fund's assets), the provisions shall be written back until the overall allocation is depleted, excluding any accrued variable management fees.

Any provisions existing at the end of the financial year and the share of the commission coming from share redemptions during the financial year shall be paid to the management company.

Securities lending or borrowing is remunerated on a pro rata temporis basis according to a fixed or variable rate that depends on market conditions.

#### Securities financing transactions:

For its temporary sales of securities, the sub-fund's service provider shall be one or more credit institutions having their head office in a member state of the European Union. The service providers shall act independently of the sub-fund and



shall systematically be counterparties of transactions on the market. These service providers shall belong to the Rothschild & Co Group or an entity of the group to which it belongs (hereinafter “Entity”). As such, the Entity’s performance of the transactions may generate a potential conflict of interest.

No remuneration is retained by the Depositary (as part of its custodian function) or the management company on securities financing transactions. All income from these transactions shall be fully collected by the sub-fund. These transactions generate costs borne by the sub-fund; the billing by the Entity may not exceed 50% of the income generated by these transactions.

In addition, the management company does not receive any soft commission.

For any additional information, please refer to the sub-fund’s annual report.

**Intermediary selection procedure**

Rothschild & Co Asset Management Europe takes meticulous care in choosing its intermediaries. They are selected on the basis of the quality of their research, but also their speed and reliability in the execution and processing of orders. We therefore choose those we consider to be the best following a rigorous, regular process.



Sub-fund No. 8: R-co VALOR BOND OPPORTUNITIES

➤ **General characteristics**

**ISIN code:**

C EUR share: FR0013417524

I EUR share: FR0013417532

**Share characteristics:**

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the SICAV sub-fund in proportion to the number of shares held.

Management of liabilities: liabilities are managed by Rothschild Martin Maurel. Admission of the shares is done in Euroclear France.

Voting rights: each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.

Form of shares: bearer

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of December.

First closing: 31 December 2019

**Taxation:**

The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time are generally regarded as taxable.

➤ **Special provisions**

**Classification:** Bonds and other international debt securities.

**Delegation of financial management:** None

**Investment objective:** The objective of the R-co Valor Bond Opportunities sub-fund is to achieve a positive annual performance, after deduction of charges and over the recommended investment period of more than 3 years, greater than that of:

- for the C EUR share, the Capitalised EONIA (with a minimum value of 0.00%) + 2.50%
- for the I EUR share, the Capitalised EONIA (with a minimum value of 0.00%) + 2.95%

with a target maximum average annual volatility of 5% through discretionary management.

**Benchmark:** The benchmark of the sub-fund is the Capitalised EONIA (with a minimum value of 0.00%) + 2.50% annual for the C EUR shares and + 2.95% annual for the I EUR shares.

The EONIA (Euro Overnight Index Average) corresponds to the weighted average of the rates applied for overnight interbank lending transactions granted by a panel of reference banks in the eurozone. It is calculated by the European Central Bank on a "number of exact days/360" basis and published by the European Banking Federation.

The EONIA administrator is exempt from Article 2.2 of the Benchmark Regulation as a central bank and as such is not entered on the register maintained by the ESMA.

In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company has a procedure for monitoring the benchmarks used describing the measures to be implemented in the event of substantial changes to an index or if that index ceases to be provided.

The objective of this sub-fund is to outperform benchmark, the Capitalised EONIA (with a minimum value of 0.00%) + 2.50% for the C EUR shares and + 2.95% for the I EUR shares, over the recommended investment period. The manager can, on a discretionary basis, choose the securities making up the portfolio, in line with the investment strategy and restrictions.



## Investment strategy:

### a. Description of strategies used:

#### Overall strategic allocation of the portfolio

The portfolio may be allocated to all bond asset classes (sovereign bonds, credit bonds, structured bonds) on all markets and currencies, within the limits of the constraints defined in the prospectus. The portfolio is allocated on a discretionary basis, and its exposure depends on the management company's expectation of the evolution of the various yield, currency, and risk premium curves. The allocation strategy will be implemented through direct investments on all bond markets (bonds or fixed-income securities) or synthetically through the use of derivatives (including options and futures, CDS, and TRS).

The portfolio will consist of fixed-income products through direct investments and/or in UCIs, including money market UCIs, for a minimum of 90% of its net assets.

With a view to achieving its investment objective, the sub-fund will make the following overall allocation:

- Between 80% and 100% of net assets directly in fixed-income products
- Up to 10% of net assets directly in equity products
- Up to 10% of net assets in UCIs, including money market UCIs
- Ancillary cash

The R-co VALOR BOND OPPORTUNITIES sub-fund's portfolio is composed of direct fixed-income products for a minimum of 80% of its net assets:

- bonds (including equity shares, index-linked bonds, convertible bonds up to a maximum of 20% of net assets, subordinated bonds including a maximum of 40% of net assets in contingent convertible bonds, perpetual bonds up to a maximum of 40% of net assets) at a fixed, variable, or adjustable rate, of any credit quality (securities rated speculative by rating agencies and/or non-rated securities may represent up to a maximum of 50% of net assets), from public and/or private issuers, of any geographical area (including a maximum of 20% of net assets in non-OECD countries including emerging markets), of any maturity
- and up to 55% of net assets in money market instruments or equivalent, including negotiable debt securities (fixed, variable, or adjustable rate), such as short-term negotiable securities (including certificates of deposit and commercial paper issued before 31 May 2016), Euro Commercial Paper, and negotiable medium-term notes

Callable/puttable bonds may represent up to 100% of the sub-fund's net assets.

Up to a maximum of 20% of the sub-fund's net assets may be invested in securities and bonds issued by non-member States of the OECD and/or issuers having their registered office in a non-OECD country, including in emerging countries.

Information about the geographical area of the issuers and the sensitivity range within which the sub-fund is managed is provided in the table below:

Interest rate sensitivity range within which the sub-fund is managed	Geographical area (nationality) of the securities issuers	Range of exposure corresponding to this region
-3 to 8	Eurozone	0 - 100%
	Europe (outside eurozone)	0 - 100%
	Member countries of the OECD (outside Europe)	0 - 100%
	Non-OECD countries (including emerging countries)	0 - 20%

The sub-fund may also invest in derivative instruments traded on French and foreign regulated markets, organised or over-the-counter (rate swaps, total return swaps, credit derivatives, particularly credit default swaps, forward exchanges) in order to achieve its investment objective (guiding the portfolio's sensitivity and credit risk). To do this, it hedges its portfolio and/or exposes it to equity, fixed-income, currency, and index markets.

The sub-fund's overall equity market exposure, including any off-balance sheet exposure, shall not exceed 10%.



The sub-fund's overall fixed-income market exposure, including any off-balance sheet exposure, will allow the portfolio's sensitivity to remain within a range between -3 and 8.

The sub-fund's overall currency risk exposure, including any off-balance sheet exposure, shall not exceed 30%.

The sub-fund may invest up to 10% of its net assets in shares or units of French and European UCIs, in compliance with legal and regulatory requirements, particularly in money market UCIs for cash management purposes as well as in diversification UCIs (particularly convertible bonds) in order to achieve the investment objective.

The equity risk associated with the investment in convertible bonds shall not exceed 10% of the sub-fund's net assets.

The portfolio's sensitivity falls within the range of -3 to 8 (including balance sheet assets and derivatives).

Existence of a possible currency risk for eurozone residents (up to 30% of the sub-fund's net assets).

### **Strategies:**

In an international investment universe, the sub-fund offers active management in terms of investment, exposure, and hedging on the fixed-income and currency product markets. The management team establishes strategic and tactical positions in all fixed-income markets, including derivatives and securities with embedded derivatives, and currency markets.

The management team has limited diversification in non-OECD markets, including emerging markets (maximum of 20% of net assets).

The following sources of added value are used for management:

1. **Sensitivity:** the overall sensitivity of the portfolio is actively managed within a range between -3 and 8 and can be adjusted upwards or downwards with the objective of seeking yield and according to the management team's rate trend expectations. The sensitivity allocation among the various bond markets and among the various yield curve segments is updated and adjusted by macroeconomic analysis:
  - The monthly investment committee defines a central economic scenario and an asset allocation.
  - The impact of this scenario on the bond market environment (sensitivity, curve positions, credit/government allocation, beta, sector and geographic allocations) is analysed at the weekly Top-Down Rate and Credit Committee meeting. This committee analyses trends on the bond market (rates, curves, maturity spreads, ratings, sectors), its valuation, as well as technical factors (supply and demand, primary market issues, liquidity, volatility, etc.) to determine a strategic allocation (interest rate/sensitivity exposure, yield curve positioning, and geographical allocation).
2. **Yield curve positioning:** depending on the management team's expectations regarding movements in the various segments of the yield curves (flattening and/or steepening), strategic and tactical allocation may lead to a preference for securities with short and/or very long maturities over intermediate maturities, or vice versa.
3. **Allocation over the credit cycle and credit risk exposure:** The sub-fund's management process combines Top-Down and Bottom-Up approaches. The selection of securities is based on a fundamental approach that involves two steps:

A quantitative analysis based on the probability of default:

- by using a large amount of public data and statistics on each company,
- by comparing these data to data of companies in the same economic sector,
- by determining a theoretical valuation that compares favourably or unfavourably with the valuation given by the market.

A qualitative analysis based on:

- sustainability of the sector,
- study of the competition,
- understanding of the balance sheet,
- understanding of the construction of profitability (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.),
- understanding of debt schedules (balance sheet and off-balance sheet),
- determination of the probability of intra-sector survival.

In order to update the credit risk exposure, the management team seeks to determine the positioning in the credit cycle through the analysis of a set of elements:



- Trends in issuer credit metrics (debt ratios, coverage of financial costs, operating margins);
- Trends in the quality of the ratings of the pool (distribution of the pool by signature category, upgrade/downgrade ratio, composition by primary market rating);
- Monitoring of market liquidity indicators
- Trends in default rates and medium-term expectations

Based on the medium-term trend towards improving or deteriorating default rates, we determine a beta of the portfolio relative to the market.

In addition, based on the credit cycle positioning, the management team determines a risk allocation at various levels:

- One allocation per rating;
  - A sector allocation (financial vs corporate and cyclical vs defensive): The sectoral allocation results from the analysis of the economic and financial environment. This analysis identifies the long-term risks and problems that influence the price formation. In particular, analyses of default histories and competition are examined.
  - A geographical allocation.
4. **Geographical allocation:** The positions among the various international bond markets reflect the management team's allocation choices regarding fixed-income market trends and the results of internal quantitative and qualitative analyses based on internal and external research. Investments are made within the specific framework of the sub-fund's management constraints. As such, up to 100% of the sub-fund's net assets may be invested in OECD countries and up to 20% outside the OECD, including emerging countries.
  5. **Use of derivatives:** Depending on the management team's strategic and tactical expectations and allocation choices relating to trends in the volatility and prices of underlying assets, the manager may need to sell or buy derivatives, in particular futures, options, TRS (maximum 50% of the sub-fund's net assets), and CDS.
  6. **Allocation in currency markets:** Currency positions are derived from the management team's qualitative and quantitative strategic and tactical views. These perspectives come from internal analyses based on both internal and external studies and are quantified and adapted according to the sub-fund's specific management constraints. The sub-fund's overall currency market exposure, including exposure resulting from the use of derivatives, shall not exceed 30%.

**b. Description of asset classes:**

All asset classes included in the composition of the assets of the sub-fund are:

- **Equities:** 0-10% of net assets  
Within the holding range specified in the table below, the sub-fund may invest in equity products. The sectoral and geographical distribution of issuers is not determined in advance and shall be determined according to market opportunities.  
In any event, the allocation of the equity segment (investment and/or exposure) is between 0% and 10% of the sub-fund's net assets in all industrial sectors and all market capitalisations (with a maximum of 10% small caps and 10% equities of non-OECD countries, including emerging countries).
- **Debt securities, money market instruments, and Bonds:** 80-100% of net assets  
Within the holding range specified below, the sub-fund will invest in particular in:
  - bonds (including equity shares, index-linked bonds, convertible bonds up to a maximum of 20% of net assets, subordinated bonds including a maximum of 40% of net assets in contingent convertible bonds, perpetual bonds up to a maximum of 40% of net assets) at a fixed, variable, or adjustable rate, of any credit quality (securities rated speculative by rating agencies and/or non-rated securities may represent up to a maximum of 50% of net assets), from public and/or private issuers, of any geographical area (including a maximum of 20% of net assets in non-OECD countries including emerging markets), of any maturity
  - and up to 55% of net assets in money market instruments or equivalent, including negotiable debt securities (fixed, variable, or adjustable rate), such as short-term negotiable securities (including certificates of deposit and commercial paper issued before 31 May 2016), Euro Commercial Paper, and negotiable medium-term notes.

Callable/puttable bonds may represent up to 100% of the sub-fund's net assets.



The management company does not exclusively or automatically use credit ratings issued by rating agencies but undertakes its own in-depth analysis to assess the credit quality of fixed-rate instruments.

- **Holding of shares or units of other UCITs, AIFs, or investment funds governed by foreign law:**

0-10% of net assets

Within the holding range specified below, the sub-fund may hold:

- units or shares of French or European UCITs governed by European directive 2009/65/EC,
- units or shares of French or European AIFs.

Note: The sub-fund may hold units or shares of UCIs managed directly or by delegation or advised by the Rothschild & Co. Group.

**For each of the classes mentioned above:**

	Equities	Debt securities, Money market instruments and Bonds	Units or shares of UCIs or investment funds
Holding ranges	0-10%	80% - 100%	0 - 10%
investment in small-cap instruments	0-10%	None	None
Investment in financial instruments of non-OECD countries (including emerging countries)	0 - 20% (including a maximum of 10% in stocks)		
Investment restrictions imposed by the management company	None	None	None

**c. Derivatives:**

The sub-fund may trade on regulated, organised, or OTC markets.

The manager shall trade on equity, interest rate, credit, and currency risk. In order to achieve the investment objective, these trades shall be carried out for the purposes of portfolio hedging (sale of futures) and exposure to reconstitute a synthetic exposure to assets (purchase of futures). In particular, the manager may trade futures, options, swaps (TRS up to 50% of the sub-fund's assets) and forwards, and credit derivatives.

The sub-fund's overall equity market exposure, including exposure resulting from the use of derivatives, shall not exceed 10%.

The sub-fund's overall fixed-income market exposure, including exposure resulting from the use of derivatives, will allow the portfolio's sensitivity to remain within a range between -3 and 8.

The portfolio sub-fund's overall currency market exposure, including exposure resulting from the use of derivatives, shall not exceed 30%.

**Credit derivatives:**

The credit allocation is determined at the discretion of the manager.

The credit derivatives used are baskets of CDS and CDS on a single issuer.

These credit derivatives are used for hedging purposes through the purchase of protection:

- in order to limit the risk of capital loss on certain issuers (present in the portfolio)
- in order to benefit from the anticipated deterioration of the credit quality of an issuer or a basket of issuers not present in the portfolio greater than that of an exposure present in the portfolio

and for exposure, through the sale of protection, to:

- the credit risk of an issuer
- the credit risk on baskets of CDS

As CDS could be used for credit risk exposure or hedging the portfolio's credit risk, the use of indexes to achieve this purpose could create transactions that, line by line, could be equated with arbitrage (hedging of the portfolio's overall credit risk by issuers, parent companies, subsidiaries or other entities not present in the portfolio).



**Total Return Swap:** In particular, up to a limit of 50% of its net assets, the sub-fund may use Total Return Swaps. The aim of these financial forwards is to trade on the performance of a security, a basket of securities, or an index.

Derivatives will be used primarily to:

- synthetically reconstruct the portfolio's exposure to the bond market;
- partially hedge the assets in the portfolio against interest rate and credit risks.

The sub-fund shall have no structured securitisation instruments in the portfolio.

Information related to counterparties of over-the-counter derivatives:

Counterparties, which may or may not be a credit institution, shall be selected according to the procedure in force within the Rothschild & Co Group and on the basis of the principle of selectivity as part of an ad hoc internal process. The Management Company may regularly select the Depositary as its counterparty for OTC exchange derivatives.

In particular, this involves:

- a validation of the counterparties at the end of this internal selection process, which takes into account criteria such as the nature of the activities, expertise, reputation, etc.
- a limited number of financial institutions with which the UCITS trades.

Maximum proportion of assets under management that may be the subject of a Total Return Swap: 50% of net assets.

Expected proportion of assets under management that will be the subject of a Total Return Swap: 25% of net assets.

Information related to counterparties of over-the-counter derivatives:

Counterparties, which may or may not be a credit institution, shall be selected according to the procedure in force within the Rothschild & Co Group and on the basis of the principle of selectivity as part of an ad hoc internal process. The Management Company may regularly select the Depositary as its counterparty for OTC exchange derivatives.

In particular, this involves:

- a validation of the counterparties at the end of this internal selection process, which takes into account criteria such as the nature of the activities, expertise, reputation, etc.
- a limited number of financial institutions with which the UCITS trades.

These counterparties have no discretionary decision-making power over the composition or management of the investment portfolio of the UCI, the underlying asset of the derivatives, and/or the composition of the index as part of index swaps.

**d. Securities with embedded derivatives (warrants, credit-linked notes, structured EMTNs, convertible bonds, contingent convertible bonds, callable/puttable bonds, etc.):**

In order to achieve the investment objective, the manager trades on interest rate, credit, currency, and equity risks. These interventions shall be done for hedging or exposure. In particular, the manager may trade on the structured EMTN, autocall and warrants markets, with a maximum of 100% of net assets invested in callable/puttable bonds, a maximum of 40% in contingent convertibles, a maximum of 40% in perpetual bonds, and a maximum of 20% in convertible bonds, as well as securities with simple embedded derivatives that present the same types of risks as the above-mentioned instruments.

The sub-fund's overall equity market exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 10%.

The sub-fund's overall fixed-income and credit market exposure, including exposure resulting from the use of securities with embedded derivatives, will allow the portfolio's sensitivity to remain within a range of between -3 and 8.

The sub-fund's overall currency market exposure, including exposure resulting from the use of derivatives, shall not exceed 30%.

**e. Deposits:**

Within a limit of 10% of its net assets, the sub-fund may resort to deposits in euros with a life less than or equal to three months so as to earn returns on the sub-fund's cash.

**f. Cash loans:**

Within a limit of 10% of its net assets, the sub-fund may resort to loans, particularly in order to compensate for deferred payment methods for asset movements.

**g. Securities financing transactions: None**



### **Information about the financial collateral of the sub-fund:**

For transactions on OTC derivatives, the sub-fund may receive securities (such as bonds or securities issued or guaranteed by a State or issued by international lending agencies and bonds or securities issued by private issuers of good quality) or cash as collateral. There is no correlation policy insofar as the sub-fund will receive mainly government securities of the eurozone and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility, diversified issuers that are not an entity of the counterparty or its group.

Discounts may be applied to the collateral received; they shall take into account, in particular, the credit quality and the volatility of the prices of the securities. The valuation is performed at least on a daily basis.

Financial collateral received must be able to give rise to a full execution by the sub-fund at any time and without consultation or approval of the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash must only be:

- placed in deposit accounts;
- invested in high-quality government bonds;
- invested in money market collective investment schemes.

### **Risk profile:**

Your money shall be invested primarily in financial instruments selected by the management company. These instruments will be subject to market fluctuations and uncertainties.

Investors are exposed through the sub-fund mainly to the following risks:

1. Risks associated with discretionary management: the discretionary management style is based on anticipating trends on the various markets. There is the risk that the sub-fund will not always be invested in the best-performing markets.
2. Risk of capital loss: shareholders have no capital guarantee.
3. Interest rate risk: risk of the sub-fund (constituted by the balance sheet and its off-balance sheet commitments) due to its sensitivity to eurozone yield curve movements (sensitivity range between -3 and 8 of the fixed-income segment). Thus, in periods of interest rate increases (positive sensitivity) or decreases (negative sensitivity), the sub-fund's net asset value is likely to be impacted negatively.
4. Credit risk: risk of credit quality deterioration or default of an issuer present in the portfolio or default of a counterparty to an OTC transaction (swap). As such, in the event of positive credit risk exposure, an increase in credit spreads may cause a reduction in the sub-fund's net asset value. Similarly, in the event of negative credit risk exposure, a decrease in credit spreads may cause a decline in the net asset value of the sub-fund. Note that up to 50% of the sub-fund's net assets may be exposed to a credit risk associated with fixed-income investments not rated and/or rated High-Yield by rating agencies.
5. High-yield credit risk: This is the credit risk applying to speculative-grade securities, which present higher probabilities of default than securities in the investment grade category. In exchange, they offer higher levels of yield but may, if the rating is downgraded, significantly reduce the net asset value of the sub-fund. Unrated issuers, which will be selected, shall be included in this category in the same manner and may present equivalent or greater risks because of their lack of rating. The increased risk of default of these issuers may lead to a decline in the net asset value.
6. Risks associated with the use of derivatives: To the extent that the sub-fund may invest in derivatives and securities with embedded derivatives, the sub-fund's net asset value may decline more significantly than the markets to which the sub-fund is exposed.
7. Counterparty risk: The sub-fund may use over-the-counter derivatives. These transactions, entered into with a counterparty, expose the sub-fund to a risk of the counterparty's default, which may cause the net asset value of the sub-fund to decline. Nevertheless, the counterparty risk may be limited by establishing guarantees granted to the sub-fund in accordance with the regulations in force.
8. Risk that the sub-fund's performance will not be consistent with its objectives and that the sub-fund will not always be invested in the best-performing markets.



9. Specific risk associated with the use of complex subordinated bonds (contingent convertible bonds, also known as “CoCos”): A debt is called subordinated when its repayment depends on the initial repayment of other creditors. As such, the subordinated creditor shall be repaid after the ordinary creditors, but before the shareholders. In consideration of this risk premium, the interest rate on this type of debt is higher than that of others. CoCos present specific risks associated with the possibility of cancellation or suspension of their coupon, total or partial reduction of their value, or their conversion into equities. These conditions may be triggered, in whole or in part, when the issuer’s level of equity falls below the trigger threshold of the contingent convertible bond. The occurrence of any of these risks may result in a reduction in the sub-fund’s net asset value.
10. Currency risk: the shareholder may be exposed to currency risk. Some assets are expressed in a currency other than the sub-fund’s accounting currency; therefore, a change in exchange rates may result in a reduction in the sub-fund’s net asset value.
11. Risk associated with exposure to non-OECD countries (including emerging countries): up to a 20% maximum; the manner in which these markets operate and are supervised may differ from the standards that prevail in the major international markets.
12. Equity risk: Risk of a decline in the portfolio’s net asset value because of the equity market’s deterioration.

**Guarantee or protection**: none.

**Target subscribers and typical investor profile**: all subscribers (see summary table of share characteristics).

*Typical profile:*

The sub-fund is intended for investors who want medium-term diversified exposure to fixed-income markets through private and/or public issuers in any geographical area.

The amount that can be reasonably invested in this sub-fund depends on each shareholder’s personal situation. To determine this amount, investors must consider their personal wealth, their current needs, and their needs over the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment. Investors are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this sub-fund.

**Recommended investment period**: more than 3 years.

**Establishment and allocation of distributable amounts:**

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors’ fees, as well as all income relating to securities that constitute the sub-fund’s portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

- 1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;
- 2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be accumulated and/or paid out and/or retained, independently of each other, in whole or in part, according to the procedures described below.

Amounts available for distribution must be paid within a maximum period of five months from the year-end.

- C EUR and I EUR shares: accumulation shares.

For accumulation shares: amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory payout by law.

**Frequency of payout:**

- C EUR and I EUR: amounts available for distribution are fully accumulated.



### **Share characteristics:**

Share name	ISIN code	Eligible subscribers	Allocation of amounts available for distribution	Currency of issue	Initial value of the share	Minimum initial subscription amount*	Fractional units
C EUR	FR0013417524	All subscribers	Accumulation	Euro	€100	€2500	Ten-thousandths
I EUR	FR0013417532	Institutional	Accumulation	Euro	€1000	€5,000,000	Ten-thousandths

\* The Management Company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

The sub-fund has two share classes. These two classes differ particularly from the point of view of their management fees, their nominal value, and the distribution network(s) for which they are intended.

In addition, for each share class, the Management Company reserves the right to not activate it and therefore to delay its commercial launch.

### **Subscription and redemption:**

Subscription and redemption requests are received and centralised each day at twelve (12) pm at Rothschild Martin Maurel and executed on the basis of the next net asset value (D). However, if the official closing time of the Paris stock exchange is made earlier on an exceptional basis, the subscription and redemption order centralisation time will be changed to 11 am instead of 12 pm.

Settlements relating to subscriptions and redemptions occur on the second business day following (D+2).

Any shareholder may request the conversion of shares of one sub-fund or share class into another sub-fund or share class. A shareholder making such a request must comply with the redemption and subscription conditions relating to the quality of investors and with the minimum investment thresholds applicable to each of the sub-funds and/or share classes concerned.

D	D	D: day of NAV calculation	D+1 business day	D+2 business days	D+2 business days
Centralisation of subscription orders before 12 pm.	Centralisation of redemption orders before 12 pm.	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

**Receipt of subscriptions and redemptions:** Rothschild Martin Maurel – 29, avenue de Messine - 75008 PARIS

### **Determination of net asset value:**

The net asset value is calculated each day when the Paris stock exchange is open, with the exception of French public holidays.

### **Net asset value adjustment method associated with swing pricing with a trigger threshold:**

If, on a NAV calculation day, the total of net subscription/redemption orders from investors across all share classes of the sub-fund exceeds a threshold pre-established by the management company and determined on the basis of objective criteria as a percentage of the sub-fund's net assets, the NAV can be adjusted upwards or downwards in order to take into account the adjustment costs attributable to the net subscription/redemption orders respectively. The NAV of each share class is calculated separately, but any adjustment has, in percentage terms, an identical impact across all NAVs of the sub-fund's share classes.



The cost and trigger threshold parameters are determined by the management company and reviewed periodically, at least every six (6) months. These costs are estimated by the management company on the basis of transaction costs, buy/sell spreads, as well as any taxes applicable to the sub-fund.

Given that this adjustment is related to the net balance of subscriptions/redemptions within the sub-fund, it is not possible to accurately predict whether swing pricing will be applied at a given time in the future. Therefore, it is not possible to accurately predict the frequency at which the management company will need to make such adjustments, which may not exceed 1.50% of the NAV. Investors are informed that the volatility of the sub-fund's NAV may not reflect only that of the securities held in the portfolio because of the application of swing pricing.

➤ **Charges and fees:**

• **Subscription and redemption fees**

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or decrease the redemption price received. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund in investing or divesting the entrusted assets. Any fees not retained by the UCITS are paid to the Management Company, marketer, distributor, etc.

<b>Fees payable by the investor, charged upon subscription or redemption</b>	<b>Base</b>	<b>Rate</b>
Subscription fee not retained by the sub-fund	Net asset value * Number of shares	All share classes: Maximum 2.00 %
Subscription fee retained by the sub-fund	Net asset value * Number of shares	None
Redemption fee not retained by the sub-fund	Net asset value * Number of shares	All share classes: Maximum 2.00 %
Redemption fee retained by the sub-fund	Net asset value * Number of shares	None

In the event of redemption followed by subscription, on the same day, on the same share class, and for the same amount on the basis of the same net asset value, no subscription and/or redemption fees shall be charged.

• **Operating and management fees:**

These charges cover all costs billed directly to the sub-fund, with the exception of transaction costs. Transaction costs include intermediation charges (brokerage, etc.) and the activity fee, where applicable, which may be collected particularly by the Custodian and the Management Company.

The following may be added to the operating and management fees:

- performance fees. These reward the Management Company for achieving performance in excess of the sub-fund's objectives. They are charged to the sub-fund;
- activity fees charged to the sub-fund;
- a share of the income from securities financing transactions.

For more information on the charges actually billed to the sub-fund, refer to the Key Investor Information Document.

	<b>Fees charged to the sub-fund</b>	<b>Base</b>	<b>Rate</b>
1	Financial management fees	Net assets	C EUR shares: Maximum 0.90%, all taxes included
2	Administrative charges external to the Management Company		I EUR shares: Maximum 0.45%, all taxes included
3	<u>Maximum indirect fees:</u> - management fees - other fees:	Net assets	None



	- subscription - redemption		
4	Transaction fees Custodian: between 0% and 50% Management Company: between 50% and 100%	Deduction from each transaction	0.3% on French and foreign equities 0.03% on French and foreign bonds €100 for any other transaction
5	Performance fee	Net assets	15% of the sub-fund's outperformance relative to its benchmark (the Capitalised EONIA with a minimum value of 0.00%) + 2.50% for the C EUR shares and + 2.95% for the I EUR shares) (see calculation procedures below).

#### Performance fee:

The method of calculation of the performance fees shall be as follows:

The performance fee is calculated on a maximum history of three years by comparing the evolution of the sub-fund's assets (coupon reinvested and excluding variable management fees) with the assets of a reference sub-fund:

- the starting value of which is that of the sub-fund's assets (i) at the closing of the previous financial year if performance fees were deducted at this closing or, failing that, (ii) at the closing of the most recent financial year having given rise to the deduction of a performance fee over the last three financial years if performance fees were deducted for one of these financial years or, failing that, (iii) at the closing of the third financial year preceding if no performance fees were deducted for the past two financial years, or, failing that, (iv) on the date of creation of the sub-fund.

- and which yields a daily performance equal to that of the benchmark recording the same variations in subscriptions and redemptions as the sub-fund.

If, at the closing of the financial year, the sub-fund's assets (excluding variable management fees) are greater than the assets of the reference sub-fund with the above starting value, then a performance fee equal to 15% including taxes of the valuation difference between the sub-fund's assets and the reference fund is deducted.

A provision for these fees is set aside at each calculation of the net asset value and actually collected each year on the closing date of the financial year.

The provision shall be written back each time the difference between the two asset values decreases. In the event of underperformance (the sub-fund's assets are less than the reference fund's assets), the provisions shall be written back until the overall allocation is depleted, excluding any accrued variable management fees.

Any provisions existing at the end of the financial year and the share of the commission coming from share redemptions during the financial year shall be paid to the Management Company.

In addition, the management company does not receive any soft commission.

Research-related expenses within the meaning of Article 314-21 of the AMF's General Regulation can be charged to the sub-fund.

For any additional information, please refer to the SICAV's annual report.

#### Financial intermediary selection procedure:

Rothschild & Co Asset Management Europe takes meticulous care in choosing its intermediaries. They are selected on the basis of the quality of their research, but also their speed and reliability in the execution and processing of orders. We therefore choose those we consider to be the best following a rigorous, regular process.



Sub-fund No. 9: R-co CONVICTION CREDIT EURO:

➤ **General characteristics**

**ISIN code:**

C EUR share	: FR0007008750
C CHF H share	: FR0011829068
C USD H share	: FR0011839877
D EUR share	: FR0010134437
F EUR share	: FR0010807107
IC EUR share	: FR0010807123
IC CHF H share	: FR0011839885
ID EUR share	: FR0011418359
M EUR share	: FR0011839893
MF EUR share	: FR0013294063
P EUR share	: FR0011839901
PB EUR share	: FR0012243988
P CHF H share	: FR0011839919
P USD H share	: FR0011839927
R EUR share	: FR0013111804

**Share characteristics:**

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the SICAV sub-fund in proportion to the number of shares held.

Management of liabilities: liabilities are managed by Rothschild Martin Maurel. Admission of the shares is done in Euroclear France.

Voting rights: each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.

Form of shares: bearer

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of December.

First closing: December 2019

**Taxation:**

The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time will generally be regarded as taxable.

➤ **Special provisions**

**Classification:** Bonds and other debt securities denominated in euros

**Delegation of financial management:** None

**Investment objective:**

The investment objective of the sub-fund is to outperform, net of management fees, the Markit iBoxx™ € Corporates index over the recommended investment horizon.

**Benchmark:**

The Markit iBoxx™ € Corporates index, income reinvested, is made up of fixed-rate bonds issued in euros by public or private companies, with at least €500 million in outstandings. All bonds must be rated Investment Grade (at least equal to BBB-) by at least one of the major rating agencies (Standard & Poor's, Moody's, or Fitch). The index value is the capitalisation-weighted average of bond prices, including accrued interest. This index is calculated by Markit Indexes Limited and is available at [www.ihsmarkit.com](http://www.ihsmarkit.com).



As of the date of the last update of this prospectus, the administrator of the benchmark index is not yet entered on the register of administrators and benchmark indexes maintained by the ESMA.

The objective of the sub-fund is to outperform its benchmark, Markit iBoxx <sup>TM</sup> € Corporates, over the recommended investment period. The asset mix of this sub-fund may differ significantly from the composition of the benchmark index.

This UCITS is not an index-linked UCITS.

### Investment strategy:

#### a. Description of strategies used:

The yield curve and credit exposure allocation is done on a discretionary basis. This exposure depends on the Management Company's expectations of interest rate trends and spreads between government securities and securities issued by private issuers.

The yield curve and credit risk exposure asset allocation strategy shall be carried out through direct investments (bonds or fixed-income securities) or synthetically through the use of derivatives (including rate futures, TRS, and CDS).

The R-co Conviction Credit Euro sub-fund's portfolio is composed of euro-denominated fixed-income securities for a minimum of 90% of its net assets.

A minimum of 80% of the R-co Conviction Credit Euro sub-fund's portfolio is composed of:

- bonds (including equity shares, index-linked bonds, subordinated bonds, with contingent convertible bonds representing a maximum of 20% of net assets) and negotiable debt securities (fixed, variable, or adjustable rate), of quality equivalent to Investment Grade, of any maturity, and negotiable medium-term notes, to which shall be added convertible bonds (up to a maximum of 10%):
  - issued or guaranteed by a eurozone State and/or by international lending agencies to which at least one eurozone State belongs;
  - from private issuers (up to Investment Grade);
  - of any maturity.

Up to a maximum of 10% of the sub-fund's assets may be invested in securities and bonds issued by non-member States of the OECD and/or of issuers having their registered office in a non-OECD country.

Exposure to bonds and negotiable debt securities not denominated in euros shall remain incidental.

Information about the geographical area of the issuers and the sensitivity range within which the sub-fund is managed is provided in the table below:

Interest rate sensitivity range within which the UCITS is managed	Geographical area (nationality) of the securities issuers	Range of exposure corresponding to this region
0 to 8	Eurozone	20 - 100%
	Europe (outside eurozone)	0 - 40%
	Member countries of the OECD (outside Europe)	0 - 30%
	Non-OECD Countries	0 - 10%

The sub-fund shall also have the right to invest up to 10% in high-yield, non-Investment Grade bonds. Investments in non-rated securities can represent up to 10% of the sub-fund's assets.

The sub-fund may also invest in derivatives traded on French and foreign regulated or over-the-counter markets (rate swaps, total return swaps, credit derivatives, particularly credit default swaps, forward exchanges) in order to achieve its investment objective (guiding the portfolio's sensitivity and credit risk). To do this, it hedges its portfolio and/or exposes it to business sectors, interest rates, indexes, credit risk, and currency risk. These transactions shall be carried out within the maximum limit of 100% of the sub-fund's assets.



The percentage of the sub-fund's assets corresponding to the use of credit derivatives is between 0% and 100%.

The R-co Conviction Credit Euro sub-fund may invest up to 10% of its assets in shares or units of French and European UCIs, in compliance with legal and regulatory requirements, particularly in cash UCIs for cash management purposes as well as in diversification UCIs (particularly convertible bonds) in order to achieve the investment objective.

The equity risk associated with investment in convertible bonds shall not exceed 10% of the sub-fund's assets. Exposure to fixed-income securities denominated in a currency other than the euro and currency risk exposure are respectively incidental.

The portfolio's sensitivity falls within the range of 0 to 8 (including balance sheet assets and derivatives).

Selection of underlying funds:

- **For the fixed-income segment, the following four sources of added value are used for management:**
  - 1) **Sensitivity:** The portfolio's sensitivity is increased if the manager anticipates a decline in interest rates and vice versa.
  - 2) **Credit risk exposure:** The management process for the UCITS combines the Top-Down and Bottom-Up approaches to identify two sources of added value:
    - The sectoral and geographical allocation results from the analysis of the economic and financial environment. This analysis identifies the long-term risks and problems that influence the price formation. In particular, analyses of default histories and competition are examined.
    - The selection of securities is based on a fundamental approach that involves two steps:
      - A quantitative analysis based on the probability of default:
        - by using a large amount of public data and statistics on each company,
        - by comparing these data to data of companies in the same economic sector,
        - by determining a theoretical valuation that compares favourably or unfavourably with the valuation given by the market.
      - A qualitative analysis based on:
        - sustainability of the sector,
        - examination of competition,
        - understanding of the balance sheet,
        - understanding of the construction of profitability (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.),
        - understanding of debt schedules (balance sheet and off-balance sheet),
        - determination of the probability of intra-sector survival.
  - 3) **Yield curve positioning:** Depending on the manager's expectations as to the flattening or steepening of the yield curve, securities with short and very long maturities shall be preferred to those with intermediate maturity or the reverse.
  - 4) **Optional strategies:** depending on the manager's expectations about changes in the volatility and prices of the underlying instruments, the manager will need to sell or buy options on fixed-income markets.

The management company does not exclusively or automatically use credit ratings issued by rating agencies but undertakes its own in-depth analysis to assess the credit quality of fixed-rate instruments.

**b. Description of the classes of assets (excluding embedded derivatives) and financial contracts used:**

- **Equities:** The sub-fund shall not invest in equities.  
However, it may hold equities for up to a maximum of 5% of its net assets after exercising a conversion option attached to the convertible bonds or as a result of the restructuring of an issuer's debt.
- **Debt securities, money market instruments, and bonds:** 90-100% of net assets  
Within the limit of the holding range specified below, the sub-fund shall invest in bonds, negotiable debt securities (in particular, short-term negotiable securities (including certificates of deposit and treasury notes issued before 31 May 2016), negotiable medium-term notes, and Euro Commercial Paper) of all maturities at fixed, variable, or adjustable rates, equity shares, index-linked bonds, bonds of quality equivalent to investment grade, and convertible bonds (up to 10% maximum). The sub-fund can also invest up to 100% of its assets in



callable and puttable bonds and up to 100% of its assets in subordinated bonds, including up to a maximum of 20% in contingent convertible bonds.

The private/public debt distribution is not determined in advance and shall be determined based on market opportunities. In any event, the exposure to High-Yield bonds shall not exceed 10%. Investments in non-rated securities can represent up to 10% of the sub-fund's assets.

Similarly, the sub-fund's exposure to bonds of non-OECD countries shall not exceed 10% of its assets.

- **Holding of shares or units of other UCITs, AIFs, or investment funds governed by foreign law:** 0-10% of net assets

Within the holding range specified below, the sub-fund may hold:

- units or shares of French or European UCITS funds governed by European directive 2009/65/EC,
- units or shares of French or European AIFs,
- units or shares of French UCIs governed by European directive 2009/65/EC or not, managed (directly or by delegation) by the Rothschild & Co Group.

These investments shall be made in compliance with the classification "Bonds and other debt securities denominated in euros".

Exposure to currency risk, non-eurozone interest rate risk, and equity risk shall not exceed 10% of net assets.

**For each of the classes mentioned above:**

	Debt securities, Money market instruments and Bonds	Units or shares of UCIs or investment funds
Holding ranges	90% - 100%	0 - 10%
Investment in financial instruments of non-OECD countries	0 - 10%	
Investment restrictions imposed by the management company	None	None

**c. Derivatives:**

The sub-fund may trade on regulated, organised, or OTC markets.

The manager shall trade on equity, interest rate, credit, and currency risk. In order to achieve the investment objective, these interventions shall be done for portfolio hedging (sale of futures) and exposure to reconstitute a synthetic exposure to assets (purchase of futures). In particular, the manager may trade futures, options, swaps (TRS up to 20% of the sub-fund's net assets) and forwards, and credit derivatives (credit default swaps).

These transactions shall be carried out within the limit of 100% of the fund's assets.

The portfolio's overall equity market exposure, including exposure resulting from the use of derivatives, shall not exceed 10%.

The overall fixed-income market exposure, including exposure resulting from the use of derivatives, will allow the portfolio's sensitivity to remain within a range between 0 and 8.

The portfolio's overall currency market exposure, including exposure resulting from the use of derivatives, shall be incidental.

**Credit derivatives:**

The credit allocation is determined at the discretion of the manager.

The credit derivatives used are baskets of CDS and CDS on a single issuer.

These credit derivatives are used for hedging purposes through the purchase of protection:

- in order to limit the risk of capital loss on certain issuers (present in the portfolio)
- in order to benefit from the anticipated deterioration of the credit quality of an issuer or a basket of issuers not present in the portfolio greater than that of an exposure present in the portfolio

and for exposure, through the sale of protection, to:

- the credit risk of an issuer
- the credit risk on baskets of CDS



As CDS could be used for credit risk exposure or hedging the portfolio's credit risk, the use of indexes to achieve this purpose could create transactions that, line by line, could be equated with arbitrage (hedging of the portfolio's overall credit risk by issuers, parent companies, subsidiaries or other entities not present in the portfolio).

The percentage of the sub-fund's assets corresponding to the use of credit derivatives is between 0% and 100%.

**Total Return Swap:**

In particular, up to a limit of 20% of its net assets, the sub-fund may use Total Return Swaps. The aim of these financial forwards is to trade on the performance of a security, a basket of securities, or an index.

Derivatives will be used primarily to:

- synthetically reconstruct the portfolio's exposure to the bond market;
- partially hedge the assets in the portfolio against interest rate and credit risk.

The consolidated fixed-income and credit market exposure, including exposure resulting from the use of derivatives, will allow the portfolio's sensitivity to remain within a range between 0 and 1.5.

The consolidated currency market exposure, including exposure resulting from the use of derivatives, shall be incidental.

Information related to counterparties of over-the-counter derivatives:

Counterparties, which may or may not be a credit institution, shall be selected according to the procedure in force within the Rothschild & Co Group and on the basis of the principle of selectivity as part of an ad hoc internal process. The Management Company may regularly select the Depositary as its counterparty for OTC exchange derivatives.

In particular, this involves:

- a validation of the counterparties at the end of this internal selection process, which takes into account criteria such as the nature of the activities, expertise, reputation, etc.
- a limited number of financial institutions with which the UCITS trades.

These counterparties have no discretionary decision-making power over the composition or management of the investment portfolio of the UCI, the underlying asset of the derivatives, and/or the composition of the index as part of index swaps.

**d. Securities with embedded derivatives (warrants, credit-linked notes, structured EMTNs, convertible bonds, contingent convertible bonds, callable and puttable bonds, etc.):**

In order to achieve the investment objective, the manager trades on interest rate, credit, and currency risks. These interventions shall be done for hedging or exposure. In particular, the manager may trade on the structured EMTN, autocall and warrants markets, with a maximum of 10% of net assets invested in convertible bonds, a maximum of 20% in contingent convertibles, as well as in securities with simple embedded derivatives that present the same types of risks as the above-mentioned instruments. The sub-fund can also invest up to 100% of its assets in callable and puttable bonds.

The purpose of using these securities with embedded derivatives is to hedge or expose the portfolio to interest rate, credit, and currency risk, while maintaining a portfolio sensitivity range of between 0 and 8.

The portfolio's overall equity market exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 10%.

The overall fixed-income and credit market exposure, including exposure resulting from the use of securities with embedded derivatives, will allow the portfolio's sensitivity to remain within a range of between 0 and 8.

The overall currency market exposure, including exposure resulting from the use of securities with embedded derivatives, shall be incidental.

**e. Deposits:**

Within a limit of 10% of its assets, the sub-fund may resort to deposits in euros with a life less than or equal to three months so as to earn returns on the sub-fund's cash.

**f. Cash loans:**

Within a limit of 10% of its assets, the sub-fund may resort to loans, particularly in order to compensate for deferred payment methods for asset movements.

**g. Securities financing transactions:** None

**h. Information about the financial collateral of the sub-fund:**

For transactions on OTC derivatives, the sub-fund may receive securities (such as bonds or securities issued or guaranteed by a State or issued by international lending agencies and bonds or securities issued by private issuers of good quality) or



cash as collateral. There is no correlation policy insofar as the sub-fund will receive mainly government securities of the eurozone and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility, diversified issuers that are not an entity of the counterparty or its group.

Discounts may be applied to the collateral received; they shall take into account, in particular, the credit quality and the volatility of the prices of the securities. The valuation is performed at least on a daily basis.

Financial collateral received must be able to give rise to a full execution by the sub-fund at any time and without consultation or approval of the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash must only be:

- placed in deposit accounts;
- invested in high-quality government bonds;
- invested in money market UCIs.

### **Risk profile:**

*“Your money shall be invested primarily in financial instruments selected by the management company. These instruments will be subject to market fluctuations and uncertainties. “*

Investors are exposed through the sub-fund mainly to the following risks:

1. Risk associated with discretionary management: the discretionary management style is based on anticipating trends on the various markets. There is the risk that the sub-fund will not always be invested in the best-performing markets.
2. Risk of capital loss: unitholders have no capital guarantee.
3. Interest rate risk: risk of the sub-fund (constituted by the balance sheet and its off-balance sheet commitments) due to its sensitivity to eurozone yield curve movements (sensitivity range between 0 and 8 of the fixed-income segment). Thus, in periods of interest rate increases (positive sensitivity) or decreases (negative sensitivity), the sub-fund's net asset value is likely to be impacted negatively.
4. Credit risk: risk of credit quality deterioration or default of an issuer present in the portfolio or default of a counterparty to an OTC transaction (swap). As such, in the event of positive credit risk exposure, an increase in credit spreads may cause a reduction in the sub-fund's net asset value. Similarly, in the event of negative credit risk exposure, a decrease in credit spreads may cause a decline in the net asset value of the sub-fund. Nevertheless, exposure to “High Yield” rates shall not represent more than 10% of assets. Investments in non-rated securities may not represent more than 10% of the sub-fund's assets.
5. Counterparty risk: the sub-fund may use over-the-counter derivatives. These transactions, entered into with a counterparty, expose the sub-fund to a risk of the counterparty's default, which may cause the net asset value of the sub-fund to decline. Nevertheless, the counterparty risk may be limited by establishing guarantees granted to the sub-fund in accordance with the regulations in force.
6. Risk that the sub-fund's performance will not be consistent with its objectives and that the sub-fund will not always be invested in the best-performing markets.
7. Specific risk associated with the use of complex subordinated bonds (contingent convertible bonds, also known as “CoCos”): A debt is called subordinated when its repayment depends on the initial repayment of other creditors. As such, the subordinated creditor shall be repaid after the ordinary creditors, but before the shareholders. In consideration of this risk premium, the interest rate on this type of debt is higher than that of others. CoCos present specific risks associated with the possibility of cancellation or suspension of their coupon, total or partial reduction of their value, or their conversion into equities. These conditions may be triggered, in whole or in part, when the issuer's level of equity falls below the trigger threshold of the contingent convertible bond. The occurrence of any of these risks may result in a reduction in the sub-fund's net asset value.
8. Ancillary risks:
  - a. Equity risk (through the use of derivatives or convertible bonds or following a corporate action on a convertible bond): risk of a decline in the portfolio's net asset value because of the equity market's deterioration. This risk is limited to a maximum of 10% for this sub-fund.
  - b. Incidental currency risk: the sub-fund may bear an incidental currency risk due to the difference in performance between the currency hedge and the hedged assets.



- c. Risk associated with exposure to non-OECD countries: up to a 10% maximum; the manner in which these markets operate and are supervised may differ from the standards that prevail in the major international markets.

**Guarantee or protection**: none.

**Eligible subscribers and typical investor profile**: All subscribers (see summary table of share characteristics).

With regard to the typical investor profile, this sub-fund is intended particularly for investors seeking exposure to the eurozone yield curve of a private or public issuer in any geographical area (especially Europe and the United States).

The amount that can be reasonably invested in this sub-fund depends on each unitholder's personal situation. To determine this amount, unitholders must consider their personal wealth, their current needs, and their needs over the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment. Investors are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this sub-fund.

**Recommended investment period**: more than 3 years

**Determination and allocation of amounts available for distribution**:

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the sub-fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

- 1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;
- 2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be accumulated and/or paid out and/or retained, independently of each other, in whole or in part.

Amounts available for distribution must be paid within a maximum period of five months from the year-end.

- C EUR, C CHF, C USD, F EUR, IC CHF, IC EUR, M EUR, P CHF, P EUR, P USD, and R EUR shares: accumulation shares.
- D EUR, ID EUR, MF EUR, and PB EUR shares: distribution shares, full payout of the net income as defined in 1) above, concerning the capital gains or losses defined in 2) above, the management company may pay them out (totally or partially) and/or retain them (totally or partially).

For accumulation shares: amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory payout by law.

For distribution shares: full payout of net income as defined in 1) above, concerning the capital gains or losses defined in 2) above, the management company may, each year, accumulate them (totally or partially) and/or pay them out (totally or partially) and/or retain them (totally or partially).

**Frequency of payout:**

- C EUR, C CHF H, C USD H, F EUR, IC CHF H, IC EUR, M EUR, P CHF H, P EUR, P USD H and R EUR shares: amounts available for distribution shall be fully accumulated
- D EUR, ID EUR, MF EUR, and PB EUR shares: Annual on the decision of the Annual General Meeting with the possibility of an interim distribution on the decision of the Board of Directors.

**Share characteristics:**

Share class	ISIN code	Allocation of amounts available for distribution	Currency of issue <sup>1</sup>	Target subscribers	Minimum initial subscription amount <sup>2 3</sup>



C EUR	FR0007008750	Accumulation	EUR	All subscribers	2,500 euros
C CHF H	FR0011829068	Accumulation	CHF	All subscribers	2,500 Swiss francs
C USD H	FR0011839877	Accumulation	USD	All subscribers	2,500 dollars
D EUR	FR0010134437	Income	EUR	All subscribers	2,500 euros
F EUR	FR0010807107	Accumulation	EUR	All subscribers	1 share
IC EUR	FR0010807123	Accumulation	EUR	All subscribers but specifically reserved for institutional investors	5,000,000 euros
IC CHF H	FR0011839885	Accumulation	CHF	All subscribers but specifically reserved for institutional investors	5,000,000 Swiss francs
ID EUR	FR0011418359	Income	EUR	All subscribers but specifically reserved for institutional investors	5,000,000 euros
M EUR	FR0011839893	Accumulation	EUR	Shares reserved for mutual funds, employees and officers of the Rothschild & Co Group	1,000 euros
MF EUR	FR0013294063	Income	EUR	Shares reserved for feeder UCIs of the Rothschild & Co Group	5,000 euros
P EUR	FR0011839901	Accumulation	EUR	See below*	5,000 euros or 500,000 euros for institutional investors
PB EUR	FR0012243988	Income	EUR	See below*	5,000 euros or 500,000 euros for institutional investors
P CHF H	FR0011839919	Accumulation	CHF	See below*	5,000 Swiss francs or 500,000 Swiss francs for institutional investors
P USD H	FR0011839927	Accumulation	USD	See below*	5,000 dollars or 500,000 dollars for institutional investors
R EUR	FR0013111804	Accumulation	EUR	All subscribers, but intended especially for foreign marketing networks,	100 euros

<sup>1</sup> Shares in CHF and in USD are systematically hedged against the currency risk of the sub-fund's reference currency.

<sup>2</sup> The management company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

<sup>3</sup> Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

\* Subscription for these shares is reserved for:

1) investors subscribing through distributors or intermediaries:

- subject to national laws prohibiting all retrocessions to distributors (for example, Great Britain and the Netherlands),

or

- providing
  - an independent advisory service within the meaning of the European MiFID 2 regulation
  - an individual discretionary portfolio management service



2) institutional investors whose minimum initial subscription amount is 500,000 euros for the P EUR and PB EUR shares, 500,000 Swiss francs for the P CHF H shares, and 500,000 dollars for the P USD H shares.

The sub-fund has fifteen share classes: C EUR, C CHF H, C USD H, D EUR, F EUR, IC EUR, IC CHF H, ID EUR, M EUR, MF EUR, P EUR, PB EUR, P CHF H, P USD H, and R EUR. These fifteen classes differ particularly from the point of view of their schemes for allocation of amounts available for distribution, their currency of issue, their management fees and subscription/redemption fees, their nominal value, their systematic hedging against currency risk, and the distribution network(s) for which they are intended.

In addition, for each share class, the Management Company reserves the right to not activate it and therefore to delay its commercial launch.

### **Subscription and redemption:**

Subscription and redemption requests are received and centralised each day at twelve (12) pm at Rothschild Martin Maurel and executed on the basis of the next net asset value (D) (price unknown). Settlements relating to subscriptions and redemptions occur on the second business day following (D+2).

Any shareholder may request the conversion of shares of one sub-fund or share class into another sub-fund or share class. A shareholder making such a request must comply with the redemption and subscription conditions relating to the quality of investors and with the minimum investment thresholds applicable to each of the sub-funds and/or share classes concerned.

Orders are executed in accordance with the table below:

D business day	D business day	D: day of NAV calculation	D+1 business day	D+2 business days	D+2 business days
Centralisation of subscription orders before 12 pm <sup>1</sup>	Centralisation of redemption orders before 12 pm <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

### **Condition for trades of shares, subject to eligibility:**

Exchange requests are received each valuation day and executed according to the procedures indicated above. Any fractional units are either settled in cash or supplemented with an additional share for the subscription, exempt from any subscription fee.

Any exchange of a share class of the sub-fund for another share class is considered a disposal followed by a redemption followed by a subscription and is therefore subject to the tax system applicable to capital gains or losses on disposals of securities.

Receipt of subscriptions and redemptions: Rothschild Martin Maurel – 29, avenue de Messine - 75008 PARIS.

### **Determination of net asset value:**

The net asset value is calculated each day when the Paris stock exchange is open, with the exception of French public holidays.

The net asset value is published on the management company's website at the following address: [am.eu.rothschildandco.com](http://am.eu.rothschildandco.com).

### **Net asset value adjustment method associated with swing pricing with a trigger threshold:**

If, on a NAV calculation day, the total of net subscription/redemption orders from investors across all share classes of the sub-fund exceeds a threshold pre-established by the management company and determined on the basis of objective criteria as a percentage of the sub-fund's net assets, the NAV can be adjusted upwards or downwards in order to take into account the adjustment costs attributable to the net subscription/redemption orders respectively. The NAV of each share



class is calculated separately, but any adjustment has, in percentage terms, an identical impact across all NAVs of the sub-fund's share classes.

The cost and trigger threshold parameters are determined by the management company and reviewed periodically, at least every six (6) months. These costs are estimated by the management company on the basis of transaction costs, buy/sell spreads, as well as any taxes applicable to the sub-fund.

Given that this adjustment is related to the net balance of subscriptions/redemptions within the sub-fund, it is not possible to accurately predict whether swing pricing will be applied at a given time in the future. Therefore, it is not possible to accurately predict the frequency at which the management company will need to make such adjustments, which may not exceed 1.50% of the NAV. Investors are informed that the volatility of the sub-fund's NAV may not reflect only that of the securities held in the portfolio because of the application of swing pricing.

➤ **Charges and fees:**

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or reduce the redemption price received. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund in investing or divesting the entrusted assets. Any fees not retained by the UCITS are paid to the management company, marketer, distributor, etc.

<b>Fees charged to the investor, deducted at the time of subscriptions and redemptions</b>	<b>Base</b>	<b>Rate Scale</b>
Subscription fee not retained by the sub-fund	Net asset value X number of shares	C EUR, C CHF H, C USD H, D EUR, F EUR, IC EUR, IC CHF H, ID EUR, and MF EUR: 2% maximum P EUR, PB EUR, P CHF H, and P USD H units: 2% maximum M EUR share: 5% maximum R EUR share: none
Subscription fee retained by the sub-fund	Net asset value X number of shares	None
Redemption fee not retained by the sub-fund	Net asset value X number of shares	C EUR, C CHF H, C USD H, D EUR, F EUR, M EUR, and MF EUR shares: None IC EUR, IC CHF H, and ID EUR shares: 2% maximum P EUR, PB EUR, P CHF H, P USD H, and R EUR: None
Redemption fee retained by the sub-fund	Net asset value X number of shares	None

**Exemption:** if the redemption order is immediately followed by a subscription, on the same day, on the same share class, and for the same amount on the basis of the same net asset value, no subscription or redemption fees shall be charged.

**OPERATING EXPENSES AND MANAGEMENT FEES:**

These charges cover all costs billed directly to the sub-fund, with the exception of transaction costs. Transaction costs include intermediation charges (brokerage, etc.) and turnover fees, where applicable, which may in particular be collected by the custodian and the management company.

The following may be added to the operating and management fees:

- performance fees. These remunerate the Management Company for achieving performance in excess of the sub-fund's objectives. They are therefore billed to the UCITS;
- activity fees charged to the sub-fund.

For more information on the charges actually billed to the sub-fund, refer to the Key Investor Information Document (KIID).



	<b>Fees charged to the UCITS</b>	<b>Base</b>	<b>Rate Scale</b>
1	Financial management fees	Net assets	C EUR, C CHF H, C USD H, and D EUR shares: 0.71% maximum F EUR share: 0.90% maximum IC EUR, IC CHF H, and ID EUR shares: 0.35% maximum M EUR share: 0.001% maximum MF EUR share: 0.45% maximum P EUR, PB EUR, P CHF H, and P USD H shares: 0.45% maximum R EUR share: 1.20% maximum
2	Administrative fees external to the management company		
3	<u>Maximum indirect fees:</u> <u>a- management fees:</u> <u>b- commissions:</u> - subscription: - redemption:	Net assets	Not Applicable
4	<u>Service providers collecting transaction fees:</u> <u>Depository:</u> between 0% and 50% <u>Management Company:</u> between 50% and 100%	Deduction from each transaction	0.03% maximum on French and foreign bonds €100 maximum for any other transaction
5	Performance fee	Net assets	None

The management company does not receive any soft commission.

Research-related expenses within the meaning of Article 314-21 of the AMF's General Regulation can be charged to the sub-fund.

For any additional information, please refer to the sub-fund's annual report.

Financial intermediary selection procedure:

Rothschild & Co Asset Management Europe takes meticulous care in choosing its intermediaries. They are selected on the basis of the quality of their research, but also their speed and reliability in the execution and processing of orders. We therefore choose those we consider to be the best following a rigorous, regular process.



Sub-fund No. 10: R-co CONVICTION CREDIT SD EURO:

➤ **General characteristics**

**ISIN code:**

C EUR share :	: FR0010692335
D EUR share :	: FR0010692319
I EUR share :	: FR0011208073
I CHF H share :	: FR0013111770
MF EUR share :	: FR0012243970

**Share characteristics:**

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the SICAV sub-fund in proportion to the number of shares held.

Management of liabilities: liabilities are managed by Rothschild Martin Maurel. Admission of the shares is done in Euroclear France.

Voting rights: each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.

Form of shares: bearer

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of December.

First closing: December 2019

**Taxation:**

The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time will generally be regarded as taxable.

➤ **Special provisions**

**Classification:** Bonds and other debt securities denominated in euros

**Delegation of financial management:** None

**Investment objective:**

The investment objective of the R-co Conviction Credit SD Euro sub-fund is to outperform, after deduction of management fees, the Markit iBoxx € Corporates 1-3 index over the recommended investment period.

**Benchmark:**

The Markit iBoxx € Corporates 1–3 index is made up of fixed-rate bonds issued in euros by public or private companies, with at least €500 million in outstandings with a residual maturity between 1 and 3 years. All bonds must be rated Investment Grade (at least equal to BBB-) by at least one of the major rating agencies (Standard & Poor's, Moody's, or Fitch). The index value is the capitalisation-weighted average of bond prices, including accrued interest. This index is calculated by International Index Company Limited (IIC). The valuation and the method for constructing this index will be published on the website of Rothschild & Co Asset Management Europe at [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

As of the date of the last update of this prospectus, the administrator of the benchmark index is not yet entered on the register of administrators and benchmark indexes maintained by the ESMA.

In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company has a procedure for monitoring the benchmarks used describing the measures to be implemented in the event of substantial changes to an index or if that index ceases to be provided.

The objective of the sub-fund is to outperform its benchmark, Markit iBoxx € Corporates 1-3, over the recommended investment period. The asset mix of this sub-fund may differ significantly from the composition of the benchmark index.



This UCITS is not an index-linked UCITS.

**Investment strategy:**

**a. Description of strategies used:**

The yield curve and credit exposure allocation is done on a discretionary basis. This exposure depends on the Management Company's expectations of interest rate trends and spreads between government securities and securities issued by private issuers.

The yield curve and credit risk exposure asset allocation strategy shall be carried out through direct investments (bonds or fixed-income securities) or synthetically through the use of derivatives (including rate futures, credit default swaps, and total return swaps).

The R-co Conviction Credit SD Euro sub-fund's portfolio is composed of euro-denominated fixed-income securities for a minimum of 90% of its net assets.

A minimum of 80% of the R-co Conviction Credit SD Euro sub-fund's portfolio is composed of bonds (including equity shares, index-linked bonds) and negotiable debt securities (fixed, variable, or adjustable rate), of equivalent quality to investment grade, of any maturity, convertible bonds (up to a maximum of 10%), and negotiable medium-term notes:

- issued or guaranteed by a eurozone State and/or by international lending agencies to which at least one eurozone State belongs;
- from private issuers (up to Investment Grade).

Up to a maximum of 10% of the sub-fund's assets may be invested in securities and bonds issued by non-member States of the OECD and/or of issuers having their registered office in a non-OECD country.

Exposure to bonds and negotiable debt securities not denominated in euros shall remain incidental.

Information about the geographical area of the issuers and the sensitivity range within which the sub-fund is managed is provided in the table below:

Interest rate sensitivity range within which the sub-fund is managed	Geographical area (nationality) of the securities issuers	Range of exposure corresponding to this region
0 to 4	Eurozone	20-100%
	Europe (outside eurozone)	0-40%
	Member countries of the OECD (outside Europe)	0-30%
	Non-OECD Countries	0-10%

The sub-fund shall also have the right to invest up to 10% in high-yield, non-Investment Grade bonds. Investments in non-rated securities can represent up to 10% of the sub-fund's assets.

The sub-fund may also invest in derivatives traded on French and foreign regulated or over-the-counter markets (rate swaps, total return swaps, credit derivatives, particularly credit default swaps, forward exchanges) in order to achieve its investment objective (guiding the portfolio's sensitivity and credit risk). To do this, it hedges its portfolio and/or exposes it to business sectors, interest rates, indexes, credit risk, and currency risk. These transactions shall be carried out within the maximum limit of 100% of the sub-fund's assets.

The percentage of the sub-fund's assets corresponding to the use of credit derivatives is between 0% and 100%.

The R-co Conviction Credit SD Euro sub-fund may invest up to 10% of its assets in shares or units of French or European UCIs, in compliance with legal and regulatory requirements, particularly in cash UCIs for cash management purposes as well as in diversification UCIs (particularly convertible bonds) in order to achieve the investment objective.



The currency risk with regard to the euro is incidental, and the interest rate risk is hedged for investments made outside the eurozone.

The portfolio's sensitivity falls within the range of 0 to 4 (including balance sheet assets and derivatives).

#### Selection of underlying funds:

For the **fixed-income segment**, the following four sources of added value are used for management:

- 1) **Sensitivity:** The portfolio's sensitivity is increased if the manager anticipates a decline in interest rates and vice versa.
- 2) **Credit risk exposure:** The management process for the UCITS combines the Top-Down and Bottom-Up approaches to identify two sources of added value:
  - The sectoral and geographical allocation results from the analysis of the economic and financial environment. This analysis identifies the long-term risks and problems that influence the price formation. In particular, analyses of default histories and competition are examined.
  - The selection of securities is based on a fundamental approach that involves two steps:
    - A quantitative analysis based on the probability of default:
      - by using a large amount of public data and statistics on each company,
      - by comparing these data to data of companies in the same economic sector,
      - by determining a theoretical valuation that compares favourably or unfavourably with the valuation given by the market.
    - A qualitative analysis based on:
      - sustainability of the sector,
      - examination of competition,
      - understanding of the balance sheet,
      - understanding of the construction of profitability (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.),
      - understanding of debt schedules (balance sheet and off-balance sheet),
      - determination of the probability of intra-sector survival.
- 3) **Yield curve positioning:** Depending on the manager's expectations as to the flattening or steepening of the yield curve, securities with short and very long maturities shall be preferred to those with intermediate maturity or the reverse.
- 4) **Optional strategies:** depending on the manager's expectations about changes in the volatility and prices of the underlying instruments, the manager will need to sell or buy options on fixed-income markets.

The management company does not exclusively or automatically use credit ratings issued by rating agencies but undertakes its own in-depth analysis to assess the credit quality of fixed-rate instruments.

#### **b. Description of the classes of assets (excluding embedded derivatives) and financial contracts used:**

- **Equities:** The sub-fund shall not invest in equities. However, it may hold equities for up to a maximum of 5% of its net assets after exercising a conversion option attached to the convertible bonds or as a result of the restructuring of an issuer's debt.
- **Debt securities, money market instruments, and bonds:** 90-100%  
 Within the limit of the holding range specified below, the sub-fund shall invest in bonds, negotiable debt securities, such as short-term negotiable securities (including certificates of deposit and treasury notes issued before 31 May 2016) and Euro Commercial Paper, at fixed, variable, or adjustable rates, equity shares, index-linked bonds, bonds of quality equivalent to "BBB-", convertible bonds (up to 10% maximum), and callable/puttable bonds (up to 50% maximum). The private/public debt distribution is not determined in advance and shall be determined based on market opportunities. In any event, the exposure to high-yield, non-Investment Grade bonds shall not exceed 10%. Investments in non-rated securities can represent up to 10% of the sub-fund's assets.  
 Similarly, the sub-fund's exposure to bonds of non-OECD countries shall not exceed 10% of its assets. The management company does not exclusively or automatically use credit ratings issued by rating agencies but undertakes its own in-depth analysis to assess the credit quality of fixed-rate instruments.



- **Holding of units or shares of other UCITs, AIFs, or investment funds governed by foreign law:**  
0-10%

Within the holding range specified below, the sub-fund may hold:

- units or shares of French or European UCITs governed by European directive 2009/65/EC,
- units or shares of French or European AIFs,
- units or shares of French UCIs governed by European directive 2009/65/EC or not, managed by the Rothschild & Co group.

These investments shall be made in compliance with the classification “Bonds and other debt securities denominated in euros”.

- **For each of the classes mentioned above:**

	Debt securities, Money market instruments and Bonds	UCI units or shares
Holding ranges	90% - 100%	0-10%
Investment in financial instruments of non-OECD countries	0-10%	0-10%
Investment restrictions imposed by the management company	None	None

**c. Derivatives:**

The sub-fund may trade on regulated, organised, or OTC markets.

The manager shall trade on equity, interest rate, credit, and currency risk. In order to achieve the investment objective, these interventions shall be done for portfolio hedging (sale of futures) and exposure to reconstitute a synthetic exposure to assets (purchase of futures). In particular, the manager may trade futures, options, swaps (TRS up to 20% of the fund's net assets) and forwards, and credit derivatives (credit default swaps).

These transactions shall be carried out within the maximum limit of 100% of the sub-fund's assets.

**Credit derivatives:**

The credit allocation is determined at the discretion of the manager.

The credit derivatives used are baskets of CDS and CDS on a single issuer.

These credit derivatives are used for hedging purposes through the purchase of protection:

- in order to limit the risk of capital loss on certain issuers (present in the portfolio);
- in order to benefit from the anticipated deterioration of the credit quality of an issuer or a basket of issuers not present in the portfolio greater than that of an exposure present in the portfolio;
- and for exposure, through the sale of protection, to:
  - the credit risk of an issuer;
  - the credit risk on baskets of CDS.

The portfolio's overall equity market exposure, including exposure resulting from the use of derivatives, shall not exceed 10%.

The overall fixed-income market exposure, including exposure resulting from the use of derivatives, will allow the portfolio's sensitivity to remain within a range between 0 and 4.

The overall currency market exposure, including exposure resulting from the use of derivatives, shall be residual.

The sub-fund shall have no structured securitisation instruments in the portfolio.

**Total Return Swap:** In particular, up to a limit of 20% of its net assets, the sub-fund may use Total Return Swaps. The aim of these financial forwards is to trade on the performance of a security, a basket of securities, or an index.

Derivatives will be used primarily to:

- synthetically reconstruct the portfolio's exposure to the bond market;
- partially hedge the assets in the portfolio against interest rate and credit risk.

Maximum proportion of assets under management that may be the subject of a Total Return Swap: 20% of net assets.



Expected proportion of assets under management that will be the subject of a Total Return Swap: 20% of net assets.

**Information related to counterparties of over-the-counter derivatives:**

Counterparties, which may or may not be a credit institution, shall be selected according to the procedure in force within the Rothschild & Co Group and on the basis of the principle of selectivity as part of an ad hoc internal process. The Management Company may regularly select the Depository as its counterparty for OTC exchange derivatives.

In particular, this involves:

- a validation of the counterparties at the end of this internal selection process, which takes into account criteria such as the nature of the activities, expertise, reputation, etc.
- a limited number of financial institutions with which the sub-fund trades.

These counterparties have no discretionary decision-making power over the composition or management of the investment portfolio of the sub-fund, the underlying asset of the derivatives, and/or the composition of the index as part of index swaps.

**d. Securities with embedded derivatives (warrants, credit-linked notes, structured EMTNs, convertible bonds, contingent convertible bonds, callable and puttable bonds, etc.):**

In order to achieve the investment objective, the manager trades on interest rate, credit, and currency risks. These interventions shall be done for hedging or exposure. In particular, the manager may trade on the structured EMTN, autocall and warrants markets, with a maximum of 10% of net assets invested in convertible bonds, a maximum of 50% in callable/puttable bonds, as well as securities with simple embedded derivatives that present the same types of risks as the above-mentioned instruments.

The purpose of using these securities with embedded derivatives is to hedge or expose the portfolio to interest rate, credit, and currency risk, while maintaining a portfolio sensitivity range of between 0 and 4.

The portfolio's overall equity market exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 10%.

The overall fixed-income and credit market exposure, including exposure resulting from the use of securities with embedded derivatives, will allow the portfolio's sensitivity to remain within a range of between 0 and 4.

The overall currency market exposure, including exposure resulting from the use of securities with embedded derivatives, shall be residual.

**e. Deposits:**

Within a limit of 10% of its assets, the sub-fund may resort to deposits in euros with a life less than or equal to three months so as to earn returns on the sub-fund's cash.

**f. Cash loans:**

Within a limit of 10% of its assets, the sub-fund may resort to loans, particularly in order to compensate for deferred payment methods for asset movements.

**g. Securities financing transactions:** None

**h. Information about the financial collateral of the sub-fund:**

For transactions on OTC derivatives, the sub-fund may receive securities (such as bonds or securities issued or guaranteed by a State or issued by international lending agencies and bonds or securities issued by private issuers of good quality) or cash as collateral. There is no correlation policy insofar as the sub-fund will receive mainly government securities of the eurozone and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility, diversified issuers that are not an entity of the counterparty or its group.

Discounts may be applied to the collateral received; they shall take into account, in particular, the credit quality and the volatility of the prices of the securities. The valuation is performed at least on a daily basis.

Financial collateral received must be able to give rise to a full execution by the sub-fund at any time and without consultation or approval of the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash must only be:



- placed in deposit accounts;
- invested in high-quality government bonds;
- invested in money market collective investment schemes.

**Risk profile:**

*“Your money shall be invested primarily in financial instruments selected by the management company. These instruments will be subject to market fluctuations and uncertainties. “*

Investors are exposed through the sub-fund mainly to the following risks:

1. Risk associated with discretionary management: the discretionary management style is based on anticipating trends on the various markets. There is the risk that the sub-fund will not always be invested in the best-performing markets.
2. Interest rate risk: risk of the sub-fund (constituted by the balance sheet and its off-balance sheet commitments) due to its sensitivity to eurozone yield curve movements (sensitivity range between 0 and +4 of the fixed-income segment). Thus, an increase in interest rates will result in a reduction in the sub-fund's net asset value.
3. Risk associated with the use of derivatives: Investments planned in the use of derivatives in a market situation with a low liquidity could result in significant capital losses in the event that the sale of assets is necessary.
4. Credit risk: risk of credit quality deterioration or default of an issuer present in the portfolio or default of a counterparty to an OTC transaction (swap). As such, in the event of positive credit risk exposure, an increase in credit spreads may cause a reduction in the sub-fund's net asset value. Similarly, in the event of negative credit risk exposure, a decrease in credit spreads may cause a decline in the net asset value of the sub-fund.
5. Counterparty risk: the sub-fund may use futures (OTC derivatives, including total return swaps). These transactions, entered into with a counterparty, expose the sub-fund to a risk of the counterparty's default, which may cause its net asset value to decline. Nevertheless, the counterparty risk may be limited by establishing guarantees granted to the sub-fund in accordance with the regulations in force.
6. Risk that the sub-fund's performance will not be consistent with its objectives and that the sub-fund will not always be invested in the best-performing markets.
7. Risk of capital loss: unitholders have no capital guarantee.
8. Risks associated with collateral management: The management of collateral received in the context of OTC financial instruments (including total return swaps) may involve certain specific risks such as operational risks or custody risk. The use of such transactions may have a negative effect on the sub-fund's net asset value.
9. Legal risk: The use of futures (including total return swaps (TRS)) may create a legal risk associated with contract execution in particular.
10. Ancillary risks:
  - a. Risk associated with exposure to non-OECD countries: up to a 10% maximum; the manner in which these markets operate and are supervised may differ from the standards that prevail in the major international markets.
  - b. Equity risk (through the use of derivatives or convertible bonds or following a corporate action on a convertible bond): risk of a decline in the portfolio's net asset value because of the equity market's deterioration. This risk is limited to a maximum of 10% for this sub-fund.
  - c. Residual currency risk: the sub-fund may bear a residual currency risk due to the difference in performance between the currency hedge and the hedged assets.

**Guarantee or protection:** none.

**Eligible subscribers and typical investor profile:** All subscribers (see summary table of share characteristics).

This sub-fund is intended particularly for investors seeking exposure to the eurozone yield curve of private or public issuers in any geographical area (especially Europe and the United States).

The amount that can be reasonably invested in this sub-fund depends on each unitholder's personal situation. To determine this amount, unitholders must consider their personal wealth, their current needs, and their needs over the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment. Investors are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this sub-fund.

**Recommended investment period:** more than 3 years

**Determination and allocation of amounts available for distribution:**



Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the sub-fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

- 1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;
- 2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be accumulated and/or paid out and/or retained, independently of each other, in whole or in part.

Amounts available for distribution must be paid within a maximum period of five months from the year-end.

- C EUR, I EUR, and I CHF H shares: accumulation shares
- D EUR and MF EUR shares: distribution shares

For accumulation shares: amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory payout by law.

For distribution shares: full payout of the net income as defined in 1) above, concerning the capital gains or losses defined in 2) above, the management company may, each year, accumulate them (totally or partially) and/or pay them out (totally or partially) and/or retain them (totally or partially).

#### Frequency of payout:

- C EUR, I EUR, and I CHF H shares: amounts available for distribution are fully accumulated.
- D and MF EUR shares: Annual on the decision of the Annual General Meeting with the possibility of an interim distribution on the decision of the Board of Directors.

#### Share characteristics:

Share class	ISIN code	Allocation of amounts available for distribution	Currency of issue*	Target subscribers	Minimum initial subscription amount**
C EUR	FR0010692335	Accumulation	EUR	All subscribers	One share
D EUR	FR0010692319	Income	EUR	All subscribers	One share
I EUR	FR0011208073	Accumulation	EUR	All subscribers but specifically intended for institutional investors	5,000,000 euros
I CHF H	FR0013111770	Accumulation	CHF	All subscribers but specifically intended for institutional investors	CHF 5,000,000
MF EUR	FR0012243970	Income	EUR	Shares reserved for feeder UCIs of the Rothschild & Co Group	5,000 euros

\* CHF shares are systematically hedged against the currency risk of the sub-fund's reference currency.

\*\* The management company, or any other entity belonging to the same group, is exempt from the initial minimum subscription obligation, where applicable.

Subsequent subscriptions may be done in units or fractions of units, where applicable.



The sub-fund has five share classes: C EUR, D EUR, I EUR, I CHF H, and MF EUR. These five share classes differ from the point of view of the scheme for their allocation of amounts available for distribution, the minimum initial subscription amount, their management fees, the distribution network(s) for which they are intended, and their par value.

In addition, for each share class, the Management Company reserves the right to not activate it and therefore to delay its commercial launch.

**Subscription and redemption:**

Subscription and redemption requests are received and centralised each day at twelve (12) pm at Rothschild Martin Maurel and executed on the basis of the next net asset value (D) (price unknown). Settlements relating to subscriptions and redemptions occur on the second business day following (D+2).

Any shareholder may request the conversion of shares of one sub-fund or share class into another sub-fund or share class. A shareholder making such a request must comply with the redemption and subscription conditions relating to the quality of investors and with the minimum investment thresholds applicable to each of the sub-funds and/or share classes concerned.

Orders are executed in accordance with the table below:

D	D	D: day of NAV calculation	D+1 business day	D+2 business days	D+2 business days
Centralisation of subscription orders before 12 pm <sup>1</sup>	Centralisation of redemption orders before 12 pm <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

**Condition for trades of shares, subject to eligibility:**

Exchange requests are received each valuation day and executed according to the procedures indicated above. Any fractional units are either settled in cash or supplemented with an additional share for the subscription, exempt from any subscription fee.

Any exchange of a share class of the sub-fund for another share class is considered a disposal followed by a redemption followed by a subscription and is therefore subject to the tax system applicable to capital gains or losses on disposals of securities.

**Receipt of subscriptions and redemptions:** Rothschild Martin Maurel – 29, avenue de Messine - 75008 PARIS.

**Determination of net asset value:**

The net asset value is calculated each day when the Paris stock exchange is open, with the exception of French public holidays and closure of the CBOT “Chicago Board of Trade”.

The net asset value is published on the management company’s website at the following website: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

**Net asset value adjustment method associated with swing pricing with a trigger threshold:**

If, on a NAV calculation day, the total of net subscription/redemption orders from investors across all share classes of the sub-fund exceeds a threshold pre-established by the management company and determined on the basis of objective criteria as a percentage of the sub-fund’s net assets, the NAV can be adjusted upwards or downwards in order to take into account the adjustment costs attributable to the net subscription/redemption orders respectively. The NAV of each share class is calculated separately, but any adjustment has, in percentage terms, an identical impact across all NAVs of the sub-fund’s share classes.

The cost and trigger threshold parameters are determined by the management company and reviewed periodically, at least every six (6) months. These costs are estimated by the management company on the basis of transaction costs, buy/sell spreads, as well as any taxes applicable to the sub-fund.



Given that this adjustment is related to the net balance of subscriptions/redemptions within the sub-fund, it is not possible to accurately predict whether swing pricing will be applied at a given time in the future. Therefore, it is not possible to accurately predict the frequency at which the management company will need to make such adjustments, which may not exceed 1% of the NAV. Investors are informed that the volatility of the sub-fund's NAV may not reflect only that of the securities held in the portfolio because of the application of swing pricing.

➤ **Charges and fees:**

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or reduce the redemption price received. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund in investing or divesting the entrusted assets. Any fees not retained by the UCITS are paid to the management company, marketer, distributor, etc.

Fees charged to the investor, deducted at the time of subscriptions and redemptions	Base	Rate Scale
Subscription fee not retained by the sub-fund	Net asset value X number of shares	C EUR, D EUR, I EUR, I CHF H, and MF EUR shares: 2% maximum
Subscription fee retained by the sub-fund	Net asset value X number of shares	None
Redemption fee not retained by the sub-fund	Net asset value X number of shares	None
Redemption fee retained by the sub-fund	Net asset value X number of shares	None

**Exemption:** if the redemption order is immediately followed by a subscription, on the same day, on the same share class, and for the same amount on the basis of the same net asset value, no subscription or redemption fees shall be charged.

OPERATING EXPENSES AND MANAGEMENT FEES:

These charges cover all costs billed directly to the sub-fund, with the exception of transaction costs. Transaction costs include intermediation charges (brokerage, etc.) and turnover fees, where applicable, which may in particular be collected by the custodian and the management company.

The following may be added to the operating and management fees:

- Performance fees. These remunerate the Management Company for achieving performance in excess of the sub-fund's objectives. They are charged to the sub-fund;
- Activity fees charged to the sub-fund.

For more information on the charges actually billed to the sub-fund, refer to the Key Investor Information Document (KIID).

	Fees charged to the sub-fund	Base	Rate Scale
1	Financial management fees	Net assets	C EUR share: Maximum 0.60% including all taxes
2	Administrative fees external to the management company		D EUR share: Maximum 0.60% including all taxes I EUR and I CHF H shares: Maximum 0.30% including all taxes MF EUR share: Maximum 0.40% including all taxes
3	<u>Maximum indirect fees:</u> - <u>management fees</u>  - <u>other fees:</u> - subscription:	Net assets	Not Applicable



	- redemption:		
4	<u>Service providers collecting transaction fees:</u> <u>Depository:</u> between 0% and 50% <u>Management Company:</u> between 50% and 100%	Deduction from each transaction	0.03% on French and foreign bonds €100 maximum for any other transaction
5	Performance fee	Net assets	None

The management company does not receive any soft commission.

Research-related expenses within the meaning of Article 314-21 of the AMF's General Regulation can be charged to the sub-fund.

For any additional information, please refer to the sub-fund's annual report.

Financial intermediary selection procedure:

Rothschild & Co Asset Management Europe takes meticulous care in choosing its intermediaries. They are selected on the basis of the quality of their research, but also their speed and reliability in the execution and processing of orders. We therefore choose those we consider to be the best following a rigorous, regular process.



Sub-fund No. 11: R-CO ALIZES:

➤ **General characteristics**

C EUR share:	FR0011276567
C CHF H share:	FR0012982866
D EUR share:	FR0011276591
F EUR share:	FR0011276617
I EUR share:	FR0011276633
IC CHF H share:	FR0012982874
MF EUR share:	FR0012243947
R EUR share:	FR0013111721
M EUR share:	FR0011847383

**Share characteristics:**

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the SICAV sub-fund in proportion to the number of shares held.

Management of liabilities: liabilities are managed by Rothschild Martin Maurel. Admission of the shares is done in Euroclear France.

Voting rights: each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.

Form of shares: bearer

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of December.

First closing: December 2019

**Taxation:**

The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time are generally regarded as taxable.

➤ **Special provisions**

**Delegation of financial management:** None

**Investment objective:** The investment objective of the R-co Alizés sub-fund is to outperform the benchmark (10% MSCI Daily TR Net EMU LC +10% MSCI Daily TR Net World Ex EMU \$ converted into €+ 20% EONIA + 60% Barclays Euro Aggregate) over the recommended investment horizon (more than three years) via discretionary management.

**Benchmark:** The sub-fund's benchmark is composed of 10% MSCI Daily TR Net EMU LC + 10% MSCI Daily TR Net World Ex EMU \$ converted into €+ 20% EONIA + 60% Barclays Euro Aggregate.

The **MSCI Daily TR Net Emu LC** index (Bloomberg code: NDDLEMU Index), calculated by Morgan Stanley, groups more than 300 shares representing the principal market capitalisations in the eurozone countries, dividends reinvested and converted into euros. This index is available online at [www.msci.com](http://www.msci.com).

The **MSCI Daily TR Net World Ex EMU \$ converted into €** index (Bloomberg code: NDDUWXEM Index), calculated by Morgan Stanley, is representative of the world's largest market capitalisations of industrialised countries outside the eurozone, dividends reinvested, converted into euros. This index is available online at [www.msci.com](http://www.msci.com).

The **EONIA** (Euro Overnight Index Average) is the average yield on the money market and refers to the arithmetic mean of the rates recorded for overnight interbank lending transactions granted by a panel of reference banks. It is calculated by the ECB and disseminated by the EBF (European Banking Federation) on the website <https://www.banque-france.fr/statistiques/taux-et-cours/taux-interbancaires>.

The **Barclays Euro Aggregate** is a bond index composed of bond issues in euros by public or private sector issuers with an investment grade rating. The index is calculated with coupons reinvested. It is calculated by Bloomberg Barclays Indexes and is available on the website [www.bloombergindices.com](http://www.bloombergindices.com).



As of the date of the last update of this prospectus, only the administrator Morgan Stanley Capital International Inc. of the benchmark index MSCI Daily is entered on the register of administrators and benchmark indexes maintained by the ESMA. Please note that the EONIA administrator is exempt from Article 2.2 of the benchmark regulation as a central bank and as such is not entered on the register maintained by the ESMA.

In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company has a procedure for monitoring the benchmarks used describing the measures to be implemented in the event of substantial changes to an index or if that index ceases to be provided.

The objective of the sub-fund is to outperform its benchmark (10% MSCI Daily TR Net Emu LC + 10% MSCI Daily TR Net World Ex EMU \$ converted into € + 20% EONIA + 60% Barclays Euro Aggregate), over the recommended investment period. The asset mix of this sub-fund may differ significantly from the composition of the benchmark index.

This UCITS is not an index-linked UCITS.

### Investment strategy:

#### a. Description of strategies used:

The investment strategy is high-conviction management based on discretionary allocation between the different asset classes and geographical zones, which can lead to significant variations against the benchmark. A sub-fund that is principally invested in direct positions seeks to exploit opportunities in the equity and fixed-income markets, as well as on money-market products. Management choices result from a combination of macroeconomic vision and financial analysis of the securities. The management seeks to take the best advantage possible of movements in stock prices.

In order to achieve the investment objective, the sub-fund invests in fixed-income or convertible products, as well as equities, based on market opportunities.

The overall allocation is as follows:

- between 70% and 100% in fixed or variable income products and up to a maximum of 10% of net assets in convertible bonds; a minimum of 50% of the fixed income component must be rated investment grade; investments in non-rated and speculative securities shall represent a maximum of 50% of the fixed income component of the fund;
- between 0% and 30% in equities from all geographical zones and all capitalisations;
- maximum 10% in UCIs.

The sub-fund may trade derivatives negotiated on French and foreign regulated or OTC markets (interest rate, currency and index swaps, forex forwards, futures and options on equities, interest rates, currencies, or indexes) in order to achieve its investment objective (discretionary management). To do this, it hedges its portfolio and/or exposes it to business sectors, geographical areas, currencies, interest rates, equities, securities and equivalent instruments, and indexes. The sub-fund may also invest up to a maximum of 20% of its net assets in contingent convertible bonds. Overexposure via derivative products shall not exceed 100% of net assets. The portfolio's exposure to the equity markets, including exposure resulting from the use of derivatives, shall not exceed 30%. The portfolio's fixed-income market exposure, including exposure resulting from the use of derivatives, will allow the portfolio's sensitivity to remain within a range between 0 and 9. The portfolio's currency risk exposure, including exposure resulting from the use of derivatives, shall not exceed 40%.

Existence of a foreign exchange rate risk for the unitholder.

#### Selection of underlying funds:

##### o **For the equity component, the criteria for selecting securities are as follows:**

The management process for the sub-fund combines the Top-Down and Bottom-Up approaches, thus identifying two sources of added value:

- The sectoral allocation results from the analysis of the macroeconomic and financial environment.
- The selection of securities is based on a fundamental approach that involves two steps:
  - o A quantitative analysis to determine the attractiveness of valuation using ratios tailored to each industry (Enterprise Value/Capital Employed, Enterprise Value/Gross Operating Result, PER, etc.)
  - o A qualitative analysis based on understanding the competition and how profitability is constructed (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.),

##### o **For the fixed-income segment, the following three sources of added value are used for management:**

- 1) **Sensitivity:** The portfolio's sensitivity is increased if the manager anticipates a decline in interest rates and vice versa.



- 2) **Credit risk exposure:** The management process for the sub-fund combines the Top-Down and Bottom-Up approaches, thus identifying two sources of added value:
- The sectoral and geographical allocation results from the analysis of the economic and financial environment. This analysis identifies the long-term risks and problems that influence the price formation. In particular, analyses of default histories and competition are examined.
  - The selection of securities is based on a fundamental approach that involves two steps:
    - A quantitative analysis based on the probability of default:
      - by using a large amount of public data and statistics on each company,
      - by comparing these data to data of companies in the same economic sector,
      - by determining a theoretical valuation that compares favourably or unfavourably with the valuation given by the market.
    - A qualitative analysis based on:
      - sustainability of the sector,
      - examination of competition,
      - understanding of the balance sheet,
      - understanding of the construction of profitability (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.),
      - understanding of debt schedules (balance sheet and off-balance sheet),
      - determination of the probability of intra-sectoral survival.
- 3) **Yield curve positioning:** Depending on the manager's expectations as to the flattening or steepening of the yield curve, securities with short and very long maturities shall be preferred to those with intermediate maturity or the reverse.

The management company does not exclusively or automatically use credit ratings issued by rating agencies but undertakes its own in-depth analysis to assess the credit quality of fixed-rate instruments.

**b. Description of the classes of assets (excluding embedded derivatives) and financial contracts used:**

All asset classes included in the composition of the assets of the sub-fund are:

- **Equities:** investment and/or exposure between 0-30% of net assets

Within the holding range specified in the table below, the sub-fund shall invest and/or shall be exposed in equity products. The sectoral and geographical distribution of issuers is not determined in advance and shall be determined according to market opportunities.

In any event, within the limit of the holding range specified below, the allocation (investment and/or exposure) of the equity component is between 0 and 30% of the sub-fund's assets in all industrial sectors and all market capitalisations, including a maximum of 15% in small caps.

- **Debt securities, money market instruments, and bonds:** investment between 70% and 100% of net assets

Within the limit of the holding range specified below, the sub-fund will invest in and/or be exposed to bonds, negotiable debt securities (such as short-term negotiable securities (including certificates of deposit and treasury notes issued before 31 May 2016) and Euro Commercial Paper) at fixed, variable, or adjustable rates, equity shares, index-linked bonds, and convertible bonds (up to 10% maximum). The sub-fund may also invest up to a maximum of 20% of its net assets in contingent convertible bonds and up to a maximum of 60% of its assets in callable and puttable bonds. The private/public debt distribution is not determined in advance and shall be determined based on market opportunities. In any event, exposure to non-rated and/or speculative grade bonds shall not exceed 50%.

- **Holding of shares or units of other UCITS, AIFs, or investment funds governed by foreign law:** 0-10% of net assets

Within the holding range specified below, the sub-fund may hold:

- units or shares of French and/or European UCITS subject to European directive 2009/65/EC that may invest no more than 10% of their assets in units or shares of other UCIs or investment funds
- units or shares of other French or foreign UCIs or investment funds, subject to European foreign law or not, and meeting the four conditions set out by Article R. 214-13 of the French monetary and financial code.
- units or shares of UCIs as defined above, managed (directly or by delegation) or advised by the Rothschild & Co Group.



For each of the classes mentioned above:

	Equities	Fixed-income products	UCI
Holding ranges	0-30%	70-100%	0-10%
Investment in small caps	0-15%	None	None
Investment in financial instruments of non-OECD countries	None	None	None
Investment restrictions imposed by the management company	None	None	None

**c. Derivatives:**

The sub-fund may trade on regulated, organised, or OTC markets. The manager shall intervene on equity, interest rate, and currency risk. In order to achieve the investment objective, these interventions shall be done for portfolio hedging (sale of futures) and exposure to reconstitute a synthetic exposure to assets (purchase of futures). In particular, the manager may trade on the interest rate and index swaps and forward forex markets and on futures and options on equities, interest rates, currencies, or indexes.

Please note that the sub-fund will not use Total Return Swaps (TRS).

Option strategies: depending on the manager's expectations about changes in the volatility and prices of the underlying instruments, the manager will need to sell or buy options on equity, fixed-income, and currency markets. For example, if a sharp market increase is anticipated, the manager will be able to buy calls; if it appears that the market will grow slowly and that implied volatility is high, the manager will be able to sell puts. Conversely, if a significant market downturn is anticipated, the manager will buy puts. Lastly, if it appears that the market cannot grow any further, the manager will sell calls.

The manager may combine these various strategies.

Overexposure via derivative products shall not exceed 100% of net assets. The portfolio's exposure to the equity markets, including exposure resulting from the use of derivatives, shall not exceed 30%. The portfolio's fixed-income market exposure, including exposure resulting from the use of derivatives, will allow the portfolio's sensitivity to remain within a range between 0 and 9. The portfolio's currency risk exposure, including exposure resulting from the use of derivatives, shall not exceed 40 %.

**d. Securities with embedded derivatives:**

The use of securities with embedded derivatives is limited to 100% of net assets (bond warrants and other warrants, structured EMTNs, autocall etc.) in order to achieve the investment objective, particularly in managing its exposure to the equities, fixed income and currency markets. The sub-fund can also invest up to 20% in contingent convertibles and up to 60% in callable and/or puttable, bonds as well as in securities with simple embedded derivatives that present the same types of risks as the above-mentioned instruments. Overexposure via derivative products shall not exceed 100% of net assets. The portfolio's consolidated equity market exposure, including exposure resulting from the use of derivatives, shall not exceed 30 %. The portfolio's fixed-income market exposure, including exposure resulting from the use of derivatives, will allow the portfolio's sensitivity to remain within a range between 0 and 9. The portfolio's currency risk exposure, including exposure resulting from the use of derivatives, shall not exceed 40 %.

- e. Deposits:** Within a limit of 20% of its assets, the sub-fund may resort to deposits in euros with a life less than or equal to three months so as to earn returns on the sub-fund's cash.

**f. Cash loans:**

Within a limit of 10% of its assets, the sub-fund may resort to loans, particularly in order to compensate for deferred payment methods for asset movements.

**g. Securities financing transactions:**

- General description of transactions:
  - Purpose of the transactions:

Securities financing transactions shall be carried out in accordance with the French monetary and financial code. They shall be conducted as part of cash management and/or optimisation of the sub-fund's income.



- Type of transactions used:

These transactions shall consist of securities lending and borrowing and/or repurchase and reverse repurchase agreements, fixed-income products, or credit products (debt securities and money market instruments) from issuers of OECD member countries.

- General information for each type of transaction:

- Level of intended use:

Securities financing transactions involving disposals (securities lending, repurchase agreements) and acquisitions (securities borrowing, reverse repurchase agreements) of securities may be carried out for up to 100% of the sub-fund's assets. The expected proportion of assets under management that will be the subject of such a transaction may represent 10% of the assets.

- Remuneration:

Additional information about the remuneration is provided in the "Charges and fees" section.

- Information on the counterparties, collateral, and risks:

- Collateral:

Collateral received as part of these transactions shall be the subject of a discount according to the principle described in the "Information about the financial collateral of the sub-fund" section. The collateral shall be kept by the custodian of the SICAV. For more information about collateral, refer to the "Information about the sub-fund's financial collateral" section.

- Selection of Counterparties:

A procedure for selecting counterparties with which these transactions are entered into makes it possible to prevent the risk of a conflict of interest when these transactions are used. These counterparties shall be Credit Institutions having their registered office in a member State of the European Union and with a minimum rating of A. Additional information about the counterparty selection procedure is provided in the "Charges and fees" section.

- Risks: refer to the "Risk profile" section.

### **Information about the financial collateral of the sub-fund:**

As part of securities financing transactions and transactions on OTC derivatives, the sub-fund may receive securities (such as bonds or securities issued or guaranteed by a State or issued by international lending agencies and bonds or securities issued by good quality private issuers) or cash as collateral. There is no correlation policy insofar as the sub-fund will receive mainly government securities of the eurozone and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility, diversified issuers that are not an entity of the counterparty or its group.

Discounts may be applied to the collateral received; they shall take into account, in particular, the credit quality and the volatility of the prices of the securities. The valuation is performed at least on a daily basis.

Financial collateral received must be able to give rise to a full execution by the sub-fund at any time and without consultation or approval of the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash must only be:

- placed in deposit accounts;
- invested in high-quality government bonds;
- for the purposes of reverse repurchase transactions, provided that these transactions are concluded with credit institutions subject to prudential supervision and that the UCI can, at any time, recall the total amount of cash, taking into account the accrued interest;
- invested in money market UCIs.



### **Risk profile:**

1. **Risk of capital loss:**

Unitholders have no capital guarantee.

2. **Risk associated with discretionary management:**

The discretionary management style is based on anticipating trends on the various markets (equity, fixed-income). There is the risk that the sub-fund will not always be invested in the best-performing markets.

3. **Interest rate risk:** Direct and indirect risk (linked in particular to holding UCITS and to possible overexposure due to off-balance sheet commitments). Thus, in the event of an increase in interest rates, the sub-fund's net asset value may decline.

4. **Credit risk:** risk of credit quality deterioration or default of an issuer present in the portfolio or default of a counterparty to an OTC transaction (swap, repo). As such, in the event of positive credit risk exposure, an increase in credit spreads may cause a reduction in the sub-fund's net asset value. Nevertheless, exposure to speculative or non-rated securities shall not represent more than 50% of the assets.

5. **Currency risk:**

- a. The unitholder may be exposed to currency risk up to a maximum of 40 %. Some assets are expressed in a currency other than the sub-fund's accounting currency; therefore, a change in exchange rates may result in a reduction in the sub-fund's net asset value;
- b. Shares in currencies other than the euro are systematically hedged against the currency risk of the sub-fund's reference currency, but a residual currency risk associated with possible imperfections of the hedges put in place may remain.

6. **Market risk:**

The sub-fund may experience:

- a. associated with direct and indirect investments in equities;
- b. associated with direct and indirect investments in large and mid-caps;
- c. linked to direct and indirect investments in small caps (limited to 15%). Any decrease in the equity market may thus result in a decrease in the mutual fund's net asset value.

7. **Counterparty risk:** the sub-fund may use securities financing transactions and/or derivatives instruments. These transactions, entered into with a counterparty, expose the sub-fund to a risk of the counterparty's default, which may cause the net asset value of the sub-fund to decline. Nevertheless, the counterparty risk may be limited by establishing guarantees granted to the sub-fund in accordance with the regulations in force.

8. **Specific risk associated with the use of complex subordinated bonds (contingent convertible bonds, also known as "CoCos"):** A debt is called subordinated when its repayment depends on the initial repayment of other creditors. As such, the subordinated creditor shall be repaid after the ordinary creditors, but before the shareholders. In consideration of this risk premium, the interest rate on this type of debt is higher than that of others. CoCos present specific risks associated with the possibility of cancellation or suspension of their coupon, total or partial reduction of their value, or their conversion into equities. These conditions may be triggered, in whole or in part, when the issuer's level of equity falls below the trigger threshold of the contingent convertible bond. The occurrence of any of these risks may result in a reduction in the sub-fund's net asset value.

9. **Risks associated with securities financing transactions:** In addition to the counterparty risk previously mentioned, the use of these techniques, the management of their collateral, and collateral reuse involve certain specific risks such as the possibility of a lack of liquidity for any instrument; possible risks in relation with the legal documentation, the application of the contracts, and their limits; operational and custodial risks; a risk of incorrect valuation and a counterparty risk. If use of these transactions proves to be inadequate, ineffective, or a failure due to market conditions, the sub-fund may suffer significant losses that will have a negative effect on the sub-fund's net asset value.

**Guarantee or protection:** none.

**Eligible subscribers and typical investor profile:** All subscribers

Subscribers may subscribe in the currency of issue of the unit concerned.

The sub-fund is intended for investors that would like to have an investment support whose diversified allocation enables them to be exposed to fixed income and convertible bonds and/or equities, depending on market opportunities.

The amount that can be reasonably invested in this sub-fund depends on each unitholder's personal situation. To determine this amount, unitholders must consider their personal wealth, their current needs, and their needs over the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment. Investors are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this sub-fund.



**Recommended investment period:** more than 3 years

**Establishment and allocation of distributable amounts:**

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the sub-fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;  
2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be accumulated and/or paid out and/or retained, independently of each other, in whole or in part.

Amounts available for distribution must be paid within a maximum period of five months from the year-end.

- C EUR, C CHF H, F EUR, I EUR, IC CHF H, R EUR, and M EUR: Accumulation shares
- D EUR and MF EUR: Distribution shares

For accumulation shares: amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory payout by law.

For distribution shares: full payout of the net income as defined in 1) above, concerning the capital gains or losses defined in 2) above, the management company may, each year, accumulate them (totally or partially) and/or pay them out (totally or partially) and/or retain them (totally or partially).

Distribution frequency:

- C EUR, C CHF H, F EUR, I EUR, IC CHF H, R EUR, and M EUR shares: amounts available for distribution are fully accumulated,
- D EUR and MF EUR: Annual on the decision of the Annual General Meeting with the possibility of an interim distribution on the decision of the Board of Directors

**Share characteristics:**

Share class	ISIN code	Allocation of amounts available for distribution	Currency of issue <sup>1</sup>	Target subscribers	Minimum initial subscription amount <sup>2 3</sup>
C EUR	FR0011276567	Accumulation	EUR	All subscribers	2,500 euros
C CHF H	FR0012982866	Accumulation	CHF	All subscribers	2,500 Swiss francs
D EUR	FR0011276591	Income	EUR	All subscribers	2,500 euros
F EUR	FR0011276617	Accumulation	EUR	All subscribers	1 share
I EUR	FR0011276633	Accumulation	EUR	All subscribers but specifically intended for institutional investors and UCITS	5,000,000 euros
IC CHF H	FR0012982874	Accumulation	CHF	All subscribers but specifically intended for institutional investors and UCITS	5,000,000 Swiss francs
MF EUR	FR0012243947	Income	EUR	Shares reserved for feeder UCIs of the Rothschild & Co Group	5,000 euros



R EUR	FR0013111721	Accumulation	EUR	All subscribers but specifically intended for foreign marketing networks	100 euros
M EUR	FR0011847383	Accumulation	EUR	Shares reserved for mutual funds, employees and officers of the Rothschild & Co Group	1,000 euros

<sup>1</sup> CHF shares are systematically hedged against the currency risk of the sub-fund's reference currency.

<sup>2</sup> The management company, or any other entity belonging to the same group, is exempt from the initial minimum subscription obligation.

<sup>3</sup> Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

The sub-fund has nine share classes: C EUR, C CHF H, D EUR, F EUR, I EUR, IC CHF H, MF EUR, R EUR, and M EUR. These nine classes differ particularly from the point of view of their schemes for allocation of amounts available for distribution, their management fees and redemption fees, their par value, and the distribution network(s) for which they are intended.

In addition, for each share class, the Management Company reserves the right to not activate it and therefore to delay its commercial launch.

### **Subscription and redemption:**

Subscription and redemption requests are received and centralised each day at twelve (12) pm at Rothschild Martin Maurel and executed on the basis of the next net asset value (D) (price unknown). However, if the official closing time of the Paris stock exchange is made earlier on an exceptional basis, the subscription and redemption order centralisation time will be changed to eleven (11) am instead of twelve (12) pm. Settlements relating to subscriptions and redemptions occur on the second business day following (D+2).

Any shareholder may request the conversion of shares of one sub-fund or share class into another sub-fund or share class. A shareholder making such a request must comply with the redemption and subscription conditions relating to the quality of investors and with the minimum investment thresholds applicable to each of the sub-funds and/or share classes concerned.

Orders are executed in accordance with the table below:

D business day	D business day	D: day of NAV calculation	D+1 business day	D+2 business days	D+2 business days
Centralisation of subscription orders before 12 pm <sup>1</sup>	Centralisation of redemption orders before 12 pm <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

**Receipt of subscriptions and redemptions:** Rothschild Martin Maurel – 29, avenue de Messine – 75008 Paris.

### **Determination of net asset value:**

Each day when the Paris stock exchange is open, with the exception of French public holidays.

The net asset value is published on the management company's website at the following website: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

#### ➤ **Charges and fees:**

- **Subscription and redemption fees:**

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or decrease the redemption price received. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund in investing or divesting the entrusted assets. Any fees not retained by the UCITS are paid to the management company, marketer, distributor, etc.



<b>Fees charged to the investor, deducted at the time of subscriptions and redemptions</b>	<b>Base</b>	<b>Rate Scale</b>
Subscription fee not retained by the UCITS	Net asset value X number of shares	C EUR, C CHF H, D EUR, F EUR, I EUR, IC CHF H, and MF EUR: 3% maximum  M EUR: 5% maximum R EUR unit: none
Subscription fee retained by the UCITS	Net asset value X number of shares	None
Redemption fee not retained by the UCITS	Net asset value X number of shares	C EUR, C HF H, D EUR, F EUR, I EUR, IC CHF H, and MF EUR: 1% maximum  M EUR and R EUR: None
Redemption fee retained by the UCITS	Net asset value X number of shares	None

- **Operating and management charges**

These charges cover all costs billed directly to the sub-fund, with the exception of transaction costs. Transaction costs include intermediation charges (brokerage, etc.) and turnover fees, where applicable, which may in particular be collected by the custodian and the management company.

The following may be added to the operating expenses and management fees:

- performance fees. These remunerate the Management Company for achieving performance in excess of the sub-fund's objectives. They are charged to the sub-fund;
- activity fees charged to the sub-fund;
- a share of the income from securities financing transactions.

For more information on the charges actually billed to the sub-fund, please refer to its annual report.

	<b>Fees charged to the sub-fund</b>	<b>Base</b>	<b>Rate Scale</b>
1	Financial management fees	Net assets	C EUR, C CHF H, and D EUR shares: 0.90 % maximum I EUR and IC CHF H shares: 0.45 % maximum F EUR shares: 1.20% maximum MF EUR shares: 0.55% maximum R EUR share: 1.50% maximum M EUR shares: 0.001% maximum
2	Administrative fees external to the management company		
3	<u>Maximum indirect fees:</u>  - <u>management fees</u>  - <u>other fees:</u>  - subscription:  - redemption:	Net assets	Not applicable
4	Service providers collecting transaction fees:  Custodian: between 0% and 50%	Maximum deduction from each transaction	0.03% on French and foreign bonds 0.3% on equities and French convertible bonds 0.4% on equities and foreign convertible bonds 1% of the premium on options on equities and equity indexes



	Management Company: between 50% and 100%		
5	Performance fee	Net assets	None

**Securities financing transactions:**

For its securities financing transactions involving the sale of securities, the sub-fund's service provider shall be one or more credit institutions having their head office in a Member State of the European Union. The service providers shall act independently of the sub-fund and shall systematically be counterparties of transactions on the market. These service providers shall belong to the Rothschild & Co Group or an entity of the group to which it belongs (hereinafter "Entity"). As such, the Entity's performance of the transactions may generate a potential conflict of interest.

No remuneration is retained by the Depositary (as part of its custodian function) or the management company on securities financing transactions. All income from these transactions shall be fully collected by the sub-fund. These transactions generate costs borne by the sub-fund; the billing by the Entity may not exceed 50% of the income generated by these transactions.

In addition, the management company does not receive any soft commission.

Research-related expenses within the meaning of Article 314-21 of the AMF's General Regulation can be charged to the Sub-fund.

For any additional information, please refer to the SICAV's annual report.

**Financial intermediary selection procedure**

Rothschild & Co Asset Management Europe takes meticulous care in choosing its intermediaries. They are selected on the basis of the quality of their research, but also their speed and reliability in the execution and processing of orders. We therefore choose those we consider to be the best following a rigorous, regular process.



Sub-fund No. 12: R-co CONVICTION CLUB:

➤ **General characteristics**

C EUR share	:	FR0010541557
C CHF H share	:	FR0011845668
CL EUR share	:	FR0013293941
CD EUR share	:	FR0013293958
D EUR share	:	FR0010523191
F EUR share	:	FR0010537423
MF EUR share	:	FR0013293966
P EUR share	:	FR0011845692
PB EUR share	:	FR0012243954
R EUR share	:	FR0013111739

**Share characteristics:**

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the SICAV sub-fund in proportion to the number of shares held.

Management of liabilities: liabilities are managed by Rothschild Martin Maurel. Admission of the shares is done in Euroclear France.

Voting rights: each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.

Form of shares: bearer

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of the month of December (1<sup>st</sup> closing: December 2019)

**Tax treatment:**

The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time will generally be regarded as taxable.

➤ **Special provisions**

**Delegation of financial management:** None

**Investment objective:**

The investment objective of the R-co Conviction Club sub-fund is to outperform, over the medium term and after deduction of management fees, the benchmark: 40% Euro EMTS Global (coupons reinvested) + 30% Euro Stoxx ® DR (C) + 20% MSCI Daily TR Net World Ex EMU \$ converted into € + 10% capitalised EONIA, via the implementation of discretionary management.

**Benchmark:**

The sub-fund's benchmark is composed of 40% Euro EMTS Global + 30% Euro Stoxx ® DR (C) + 20% MSCI Daily TR Net World Ex EMU \$ converted into € + 10% capitalised EONIA.

**The EuroMTS Global** is a euro-denominated bond index that measures the performance of the market of eurozone government bonds of any maturity. This index is calculated by Euro MTS Limited. This index is available online at [www.euromtsindex.com](http://www.euromtsindex.com)

The **Euro Stoxx ® DR (C)** index (Bloomberg code: SXXT Index) is a subdivision of the STOXX® 600. It includes a variable number of securities, around 300, highly diversified in terms of market capitalisation, economic sectors, and geographical regions, dividends reinvested. It is calculated by Stoxx Ltd and is available at [www.stoxx.com](http://www.stoxx.com).

The **MSCI Daily TR Net World Ex EMU \$ converted into €** index (Bloomberg code: NDDUWXEM Index), calculated by Morgan Stanley, is representative of the world's largest market capitalisations of non-eurozone industrialised countries, dividends reinvested, converted into euros. This index is available online at [www.msci.com](http://www.msci.com)



The **EONIA** (average yield on the money market) refers to the arithmetic mean of the rates applied for overnight interbank lending transactions granted by a panel of reference banks. It is calculated by the ECB and disseminated by the EMMI (European Money Markets Institute) at [www.emmi-benchmarks.eu](http://www.emmi-benchmarks.eu)

As of the date of the last update of this prospectus, only the administrator Morgan Stanley Capital International Inc. of the benchmark index MSCI Daily is entered on the register of administrators and benchmark indexes maintained by the ESMA. Please note that the EONIA administrator is exempt from Article 2.2 of the benchmark regulation as a central bank and as such is not entered on the register maintained by the ESMA.

In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company has a procedure for monitoring the benchmarks used describing the measures to be implemented in the event of substantial changes to an index or if that index ceases to be provided.

The objective of the sub-fund is to outperform its benchmark, composed of 40% Euro EMTS Global (coupons reinvested) + 30% Euro Stoxx ® DR (C) + 20% MSCI Daily TR Net World Ex EMU \$ converted into € + 10% Capitalised EONIA, over the recommended investment period. The asset mix of this sub-fund may differ significantly from the composition of the benchmark index.

This UCITS is not an index-linked UCITS.

### Investment strategy:

#### a. Description of strategies used:

As part of a rigorous quantitative and qualitative selection process carried out by the management company (as described below), the R-co Conviction Club sub-fund is invested in fixed-income or convertible products and in equity products, based on market opportunities. The sub-fund may invest up to 10% of its assets in UCIs.

- **Strategic allocation:** in order to achieve the investment objective, the sub-fund invests in fixed-income or convertible products, equity products, and UCIs, based on market opportunities.

The sub-fund may therefore invest and/or be exposed:

- ✓ Between 0 and 100% in fixed-income products issued by States or private issuers, whether Investment Grade or not, of all maturities, with a maximum of 30% of net assets in High-Yield. Investments in non-rated securities can represent up to 20% of the sub-fund's assets.
- ✓ Between 0 and 100% in shares;
- ✓ Between 0 and 10% in UCIs;
- ✓ Liquid assets on an incidental basis.

The sub-fund may trade derivatives traded on French and foreign regulated or OTC markets (interest rate, currency and index swaps, forex forwards, futures and options on equities, interest rates, currencies, or indices) in order to achieve its investment objective (discretionary management). To do this, it hedges its portfolio and/or exposes it to business sectors, geographical areas, currencies, interest rates, equities, securities and equivalent instruments, and indexes.

The sub-fund may also invest up to a maximum of 20% of its net assets in convertible contingent bonds and up to a maximum of 70% of its assets in callable and puttable bonds.

The portfolio's overall equity market exposure, including any off-balance sheet exposure, shall not exceed 100%. The portfolio's overall fixed-income market exposure, including any off-balance sheet exposure, will allow the portfolio's sensitivity to remain within a range between -1 and 9.

The portfolio's overall currency market exposure, including any off-balance sheet exposure, shall not exceed 100%.

The sub-fund's overall exposure to non-OECD countries may be up to 20% of its assets and small-cap risks up to 20% of its assets.

Existence of a foreign exchange rate risk for unitholders.

#### Selection of underlying funds:

- **For the equity product segment, the criterion for selecting securities is as follows:**  
The management process for the sub-fund combines the Top-Down and Bottom-Up approaches, thus identifying two sources of added value:
  - The sectoral allocation results from the analysis of the economic and financial environment.
  - The selection of securities is based on a fundamental approach that involves two steps:
    - A quantitative analysis to determine the attractiveness of valuation using ratios tailored to each industry (Enterprise Value/Capital Employed, Enterprise Value/Gross Operating Result, PER, etc.)



- A qualitative analysis based on understanding the competition and how profitability is constructed (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.),
- **For the fixed-income segment, the following three sources of added value are used for management:**
  - 1) **Sensitivity:** The portfolio's sensitivity is increased if the manager anticipates a decline in interest rates and vice versa.
  - 2) **Credit risk exposure:** The management process for the sub-fund combines the Top-Down and Bottom-Up approaches, thus identifying two sources of added value:
    - The sectoral and geographical allocation results from the analysis of the economic and financial environment. This analysis identifies the long-term risks and problems that influence the price formation. In particular, analyses of default histories and competition are examined.
    - The selection of securities is based on a fundamental approach that involves two steps:
      - A quantitative analysis based on the probability of default:
        - by using a large amount of public data and statistics on each company,
        - by comparing these data to data of companies in the same economic sector,
        - by determining a theoretical valuation that compares favourably or unfavourably with the valuation given by the market.
      - A qualitative analysis based on:
        - sustainability of the sector,
        - examination of competition,
        - understanding of the balance sheet,
        - understanding of the construction of profitability (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.),
        - understanding of debt schedules (balance sheet and off-balance sheet),
        - determination of the probability of intra-sector survival.
  - 3) **Yield curve positioning:** Depending on the manager's expectations as to the flattening or steepening of the yield curve, securities with short and very long maturities shall be preferred to those with intermediate maturity or the reverse.

The management company does not exclusively or automatically use credit ratings issued by rating agencies but undertakes its own in-depth analysis to assess the credit quality of fixed-rate instruments.

**b. Description of the asset classes (excluding embedded derivatives):**

- **Equities:** investment and/or exposure between 0-100% of net assets

Within the holding range specified in the table below, the sub-fund shall invest and/or shall be exposed in equity products. The sectoral and geographical distribution of issuers is not determined in advance and shall be determined according to market opportunities.

In any event, within the limit of the holding range specified below, the allocation (investment and/or exposure) of the equity segment is between 0 and 100% of the sub-fund's assets in all industrial sectors and all market capitalisations (with a maximum of 20% small caps and 20% equities of non-OECD countries).

- **Debt securities, money market instruments, and bonds:** investment and/or exposure between 0% and 100% of net assets

Within the limit of the holding range specified below, the sub-fund shall invest in bonds, negotiable debt securities (such as short-term negotiable securities (including certificates of deposit and treasury notes issued before 31 May 2016) and Euro Commercial Paper) of all maturities at fixed, variable, or adjustable rates, participating securities, indexed bonds, and convertible bonds (up to 20% maximum). The sub-fund may also invest up to a maximum of 20% of its net assets in convertible contingent bonds and up to a maximum of 70% of its assets in callable and puttable bonds. The private/public debt distribution is not determined in advance and shall be determined based on market opportunities. In any event, investment in High-Yield debt securities shall not exceed 30%. Investments in non-rated securities can represent up to 20% of the sub-fund's assets.

- **Holding of shares or units of other UCITs, AIFs, or investment funds governed by foreign law:** 0-10% of net assets

Within the holding range specified below, the sub-fund may hold:

- units or shares of French or European UCITs governed by European directive 2009/65/EC,
- units or shares of French or European AIFs or foreign investment funds meeting the four criteria of R.214-13 of the French monetary and financial code,



Note: The sub-fund may hold units or shares of UCIs managed directly or by delegation or advised by the Rothschild & Co. Group.

**For each of the classes mentioned above:**

	Equities	Fixed-income products	UCI
Holding ranges	0-100%	0-100%	0-10%
Investment in small caps	0-20%	None	0-10%
Investment in financial instruments of non-OECD countries	0-20%	0-20%	0-10%
Investment restrictions imposed by the management company	None	None	None

**c. Derivatives:**

The sub-fund may trade on regulated, organised, or OTC markets.

The manager shall intervene on equity, interest rate, and currency risk. In order to achieve the investment objective, these interventions shall be done for portfolio hedging (sale of futures) and exposure to reconstitute a synthetic exposure to assets (purchase of futures). In particular, the manager may trade on the market of interest rate and index swaps, forward exchanges, the market of futures and options on equities, interest rates, currencies, or indices.

The portfolio's overall equity market exposure, including exposure resulting from the use of derivatives, shall not exceed 100%.

The portfolio's overall fixed-income market exposure, including exposure resulting from the use of derivatives, will allow the portfolio's sensitivity to remain within a range between -1 and 9.

The portfolio's overall foreign exchange risk exposure, including exposure resulting from the use of derivatives, shall not exceed 100%.

Please note that the sub-fund will not use the Total Return Swap (TRS).

**Information related to counterparties of over-the-counter derivatives:**

Counterparties, which may or may not be a credit institution, shall be selected according to the procedure in force within the Rothschild & Co Group and on the basis of the principle of selectivity as part of an ad hoc internal process. The Management Company may regularly select the Depositary as its counterparty for OTC exchange derivatives.

In particular, this involves:

- a validation of the counterparties at the end of this internal selection process, which takes into account criteria such as the nature of the activities, expertise, reputation, etc.
- a limited number of financial institutions with which the UCITS trades.

**d. Securities with embedded derivatives (warrants, credit-linked notes, structured EMTNs, convertible bonds, contingent convertible bonds, callable and puttable bonds, etc.)**

The use of securities with embedded derivatives is limited to 80% of net assets (warrants, structured EMTNs, autocall, as well as securities with simple embedded derivatives that present the same types of risks as the above-mentioned instruments) in order to achieve the fund's investment objective, particularly in managing its equity and fixed-income and forex market exposure. The sub-fund may also invest up to a maximum of 20% of its net assets in contingent convertible bonds and up to a maximum of 70 % in callable and puttable bonds.

Optional strategies: depending on the manager's expectations about changes in the volatility and prices of the underlying instruments, the manager will need to sell or buy options on equity, fixed-income, and currency markets. For example, if a sharp market increase is anticipated, the manager will be able to buy calls; if it appears that the market will grow slowly and that implied volatility is high, the manager will be able to sell puts. Conversely, if a significant market downturn is anticipated, the manager will buy puts. Lastly, if it appears that the market cannot grow any further, the manager will sell calls.

The manager may combine these various strategies.

The portfolio's overall equity market exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 100 %.

The portfolio's overall fixed-income market exposure, including exposure resulting from the use of securities with embedded derivatives, will allow the portfolio's sensitivity to remain within a range between -1 and 9.

The portfolio's overall exchange risk exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 100%.



**e. Deposits:**

Within a limit of 20% of its assets, the sub-fund may resort to deposits in euros with a life less than or equal to three months so as to earn returns on the sub-fund's cash.

**f. Cash loans:**

Within a limit of 10% of its assets, the sub-fund may resort to loans, particularly in order to compensate for deferred payment methods for asset movements.

**g. Securities financing transactions:**

• General description of transactions:

○ Purpose of the transactions:

Securities financing transactions shall be carried out in accordance with the French monetary and financial code. They shall be conducted as part of cash management and/or optimisation of the sub-fund's income.

○ Type of transactions used:

These transactions shall consist of securities lending and borrowing and/or repurchase and reverse repurchase agreements, fixed-income products, or credit products (debt securities and money market instruments) from issuers of OECD member countries.

• General information for each type of transaction:

○ Level of intended use:

Securities financing transactions involving disposals (securities lending, repurchase agreements) and acquisitions (securities borrowing, reverse repurchase agreements) of securities may be carried out for up to 100% of the sub-fund's assets. The expected proportion of assets under management that will be the subject of such a transaction may represent 10% of the assets.

○ Remuneration:

Additional information about the remuneration is provided in the "Charges and fees" section.

• Information on the counterparties, collateral, and risks:

○ Collateral:

Collateral received as part of these transactions shall be the subject of a discount according to the principle described in the "Information about the financial collateral of the sub-fund" section. The Collateral shall be kept by the Custodian of the sub-fund. For more information about collateral, refer to the "Information about the sub-fund's financial collateral" section.

○ Selection of Counterparties:

A procedure for selecting counterparties with which these transactions are entered into makes it possible to prevent the risk of a conflict of interest when these transactions are used. These counterparties shall be Credit Institutions having their registered office in a member State of the European Union and with a minimum rating of A. Additional information about the counterparty selection procedure is provided in the "Charges and fees" section.

○ Risks: refer to the "Risk profile" section.

**h. Information about the financial collateral of the sub-fund:**

As part of securities financing transactions and transactions on OTC derivatives, the sub-fund may receive securities (such as bonds or securities issued or guaranteed by a State or issued by international lending agencies and bonds or securities issued by good quality private issuers) or cash as collateral. There is no correlation policy insofar as the sub-fund will receive mainly government securities of the eurozone and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility, diversified issuers that are not an entity of the counterparty or its group.

Discounts may be applied to the collateral received; they shall take into account, in particular, the credit quality and the volatility of the prices of the securities. The valuation is performed at least on a daily basis.

Financial collateral received must be able to give rise to a full execution by the sub-fund at any time and without consultation or approval of the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash must only be:

- placed in deposit accounts;
- invested in high-quality government bonds;



- used for the purposes of reverse repurchase agreement transactions, provided that these transactions are entered into with credit institutions subject to prudential supervision and that the sub-fund can, at any time, recall the total amount of cash, taking into account the accrued interest;
- invested in money market collective investment schemes.

**Risk profile:**

1. **Risk associated with discretionary management:** The discretionary management style is based on anticipating trends on the various markets (equity, fixed-income). There is the risk that the sub-fund will not always be invested in the best-performing markets.
2. **Risk of capital loss:** Unitholders have no capital guarantee.
3. **Market risk:**  
The sub-fund may experience:
  - a. associated with direct and indirect investments in equities;
  - b. associated with direct and indirect investments in large, mid, and small caps;
  - c. relating to direct and indirect investments on non-OECD markets;
 Any downturn in the equity market may thus result in a reduction in the sub-fund's net asset value.
4. **Interest rate risk:**  
Risk associated with investments in fixed-income products. Therefore, if interest rates increase, the sub-fund's net asset value may decline;
5. **Credit risk:** risk of credit quality deterioration or default of an issuer present in the portfolio or default of a counterparty to an OTC transaction (swap, repo). As such, in the event of a positive credit risk exposure and an increase in credit spreads may negatively impact performance. Similarly, negative credit risk exposure and a decrease in credit spreads may negatively impact performance. Nevertheless, exposure to "High Yield" rates shall not represent more than 30% of assets.
6. **Currency risk:**  
The unitholder may be exposed to currency risk up to a maximum of 100 %. Some assets are expressed in a currency other than the fund's accounting currency; therefore, a change in exchange rates may result in a reduction in the sub-fund's net asset value;
7. **Counterparty risk:**  
The sub-fund may use securities financing transactions and/or over-the-counter derivatives. These transactions, entered into with a counterparty, expose the sub-fund to a risk of the counterparty's default, which may cause the net asset value of the sub-fund to decline. Nevertheless, the counterparty risk may be limited by establishing guarantees granted to the sub-fund in accordance with the regulations in force.
8. **Risks associated with securities financing transactions:** In addition to the counterparty risk previously mentioned, the use of these techniques, the management of their collateral, and collateral reuse involve certain specific risks such as the possibility of a lack of liquidity for any instrument, possible risks in relation with the legal documentation, the application of the contracts, and their limits, operational and custodial risks, a risk of incorrect valuation, and a counterparty risk. If use of these transactions proves to be inadequate, ineffective, or a failure due to market conditions, the sub-fund may suffer significant losses that will have a negative effect on the sub-fund's net asset value.
9. **Specific risk associated with the use of complex subordinated bonds (contingent convertible bonds, also known as "CoCos"):** A debt is called subordinated when its repayment depends on the initial repayment of other creditors. As such, the subordinated creditor shall be repaid after the ordinary creditors, but before the shareholders. In consideration of this risk premium, the interest rate on this type of debt is higher than that of others. CoCos present specific risks associated with the possibility of cancellation or suspension of their coupon, total or partial reduction of their value, or their conversion into equities. These conditions may be triggered, in whole or in part, when the issuer's level of equity falls below the trigger threshold of the contingent convertible bond. The occurrence of any of these risks may result in a reduction in the sub-fund's net asset value.

**Guarantee or protection:** none.

**Target subscribers and typical investor profile:** All subscribers (see summary table of share characteristics). This sub-fund is intended for investors that would like to have an investment support whose diversified allocation enables them to be exposed to fixed income and convertible bonds and/or equities, depending on market opportunities. The amount that can be reasonably invested in this sub-fund depends on each unitholder's personal situation. To determine this amount, unitholders must consider their personal wealth, their current needs, and their needs over the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment. Investors are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this sub-fund.



**Recommended investment period:** More than 5 years

**Determination and allocation of amounts available for distribution:**

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the sub-fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

- 1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;
- 2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be accumulated and/or paid out and/or retained, independently of each other, in whole or in part.

Amounts available for distribution must be paid within a maximum period of five months from the year-end.

- C EUR, CL EUR, C CHF H, F EUR, P EUR, and R EUR shares: accumulation shares.
- CD EUR, D EUR, MF EUR, and PB EUR shares: distribution shares, full payout of the net income as defined in 1) above, concerning the capital gains or losses defined in 2) above, the management company may pay them out (totally or partially) and/or retain them (totally or partially).

For accumulation shares: amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory payout by law.

For distribution shares: full payout of net income as defined in 1) above, concerning the capital gains or losses defined in 2) above, the management company may, each year, accumulate them (totally or partially) and/or pay them out (totally or partially) and/or retain them (totally or partially).

**Frequency of payout:**

- C EUR, CL EUR, C CHF H, F EUR, P EUR, and R EUR shares: amounts available for distribution are fully accumulated
- CD EUR, D EUR, MF EUR, and PB EUR shares: Annual on the decision of the Annual General Meeting with the possibility of an interim distribution on the decision of the Board of Directors

**Share characteristics:**

Share class	ISIN code	Allocation of amounts available for distribution	Currency of issue	Target subscribers	Minimum initial subscription amount*
C EUR	FR0010541557	Accumulation	EUR	All subscribers	2,500 euros Initial NAV: € 409.03 (division of the net asset value by 5 on 17 December 2010)
C CHF H	FR0011845668	Accumulation	CHF**	All subscribers	2,500 Swiss francs Initial net asset value of one share: 1,000 Swiss francs
CL EUR	FR0013293941	Accumulation	EUR	See below***	1 share or 500,000 euros for institutional investors  Initial NAV: equal to the NAV of the C EUR share on the day when the CL EUR share is created
CD EUR	FR0013293958	Income	EUR	See below***	1 share or 500,000 euros for institutional investors



					Initial NAV: equal to the NAV of the D EUR share on the day when the CD EUR share is created
D EUR	FR0010523191	Income	EUR	All subscribers	2,500 euros (division of the net asset value by 5 on 17 December 2010)
F EUR	FR0010537423	Accumulation	EUR	All subscribers and mainly intended to be distributed by partners of the management company or third-party management companies	1 share Initial NAV: € 436.83 (division of the net asset value by 5 on 17 December 2010)
MF EUR	FR0013293966	Income	EUR	Shares reserved for feeder UCIs of the Rothschild & Co Group	5,000 euros Initial NAV: equal to the NAV of the PB EUR share on the day when the MF EUR share is created
P EUR	FR0011845692	Accumulation	EUR	See below***	5,000 euros or 500,000 euros for institutional investors  Initial net asset value of one share: 1,000 euros
PB EUR	FR0012243954	Income	EUR	See below***	5,000 euros or 500,000 euros for institutional investors  Initial net asset value of one share: 1,000 euros
R EUR	FR0013111739	Accumulation	EUR	All subscribers but specifically intended for foreign marketing networks	100 euros Initial NAV: 10 euros

\* The management company, or any other entity belonging to the same group, is exempt from the initial minimum subscription obligation.

\*\* These CHF shares are systematically hedged against the currency risk of the sub-fund's reference currency.

\*\*\* Subscription for this stock is reserved for:

1) investors subscribing through distributors or intermediaries:

- subject to national laws prohibiting all retrocessions to distributors (for example, Great Britain and the Netherlands),
- or
- providing
  - an independent advisory service within the meaning of the European MiFID 2 regulation
  - an individual discretionary portfolio management service

2) institutional investors whose minimum initial subscription amount is 500,000 euros.

Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

The sub-fund has ten share classes: C EUR, C CHF H, CL EUR, CD EUR, D EUR, F EUR, MF EUR, P EUR, PB EUR, and R EUR. These ten classes differ particularly from the point of view of their schemes for allocation of distributable amounts, their currency of issue, their management fees and subscription/redemption fees, their nominal value, their systematic hedging against foreign exchange risk, and the distribution network(s) for which they are intended.

**Subscription and redemption:**

Subscription and redemption requests are received and centralised each day at 12 pm at Rothschild Martin Maurel and executed on the basis of the next net asset value (D). However, if the official closing time of the Paris stock exchange is made earlier on an exceptional basis, the subscription and redemption order centralisation time will be changed to 11 am instead of 12 pm. Settlements relating to subscriptions and redemptions occur on the second business day following (D+2).



Orders are executed in accordance with the table below:

D	D	D: day of NAV calculation	D+1 business day	D+2 business days	D+2 business days
Centralisation of subscription orders before 12 pm <sup>1</sup>	Centralisation of redemption orders before 12 pm <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

**Determination of net asset value:**

Each day when the Paris stock exchange is open, with the exception of French public holidays.

The net asset value is published on the management company's website at the following website: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

**Condition for trades of shares, subject to eligibility:**

Exchange requests are received and centralised each valuation day and executed on the basis of the next net asset value of the shares. Any fractional units are either settled in cash or supplemented with an additional share for the subscription, exempt from any subscription fee.

Exchanges of share classes of the sub-fund for another share class are considered a disposal followed by a redemption and as such are subject to the tax system applicable to capital gains or losses on disposals of securities.

➤ **Charges and fees:**

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or decrease the redemption price received. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund in investing or divesting the entrusted assets. Any fees not retained by the UCITS are paid to the management company, marketer, distributor, etc.

<b>Fees charged to the investor, deducted at the time of subscriptions and redemptions</b>	<b>Base</b>	<b>Rate Scale</b>
Subscription fee not retained by the UCITS	Net asset value X number of shares	C EUR, C CHF H, CL EUR, CD EUR, D EUR, F EUR, MF EUR, P EUR, and PB EUR shares: 4.5% maximum R EUR: none
Subscription fee retained by the UCITS	Net asset value X number of shares	None
Redemption fee not retained by the UCITS	Net asset value X number of shares	None
Redemption fee retained by the UCITS	Net asset value X number of shares	None

**Exemption:** if the redemption order is immediately followed by a subscription, on the same day, on the same class, and for the same amount on the basis of the same net asset value, no subscription or redemption fees shall be charged.

**OPERATING EXPENSES AND MANAGEMENT FEES:**

These charges cover all costs billed directly to the sub-fund, with the exception of transaction costs. Transaction costs include intermediation charges (brokerage, etc.) and turnover fees, where applicable, which may in particular be collected by the custodian and the management company.

The following may be added to the operating expenses and management fees:

- performance fees. These remunerate the Management Company for achieving performance in excess of the sub-fund's objectives. They are charged to the sub-fund;
- activity fees charged to the sub-fund;
- a share of the income from securities financing transactions.

For more information on the charges actually billed to the sub-fund, refer to the Key Investor Information Document (KIID).



	Fees charged to the sub-fund	Base	Rate Scale
1	Financial management fees	Net assets	<u>C EUR, C CHF H shares</u> : 1.495 % maximum <u>CL EUR and CD EUR shares</u> : 1.25% maximum <u>D EUR shares</u> : 1.495 % maximum <u>F EUR shares</u> : 1.90% maximum <u>P EUR and PB EUR shares</u> : 0.90% maximum until 31/12/2017 / 0.95% maximum beginning 01/01/2018 <u>MF EUR shares</u> : 0.95% maximum <u>R EUR shares</u> : 2.30 % maximum
2	Administrative fees external to the management company		
3	<u>Maximum indirect fees:</u> - <u>management fees</u> - <u>other fees:</u> - subscription: - redemption:	Net assets	Not Applicable
4	<u>Service providers collecting transaction fees:</u> <u>Depository</u> : between 0% and 50% <u>Management Company</u> : between 50% and 100%	Deduction from each transaction	0.03% on French bonds 0.30% on French shares 0.03% on foreign bonds 0.40% on foreign shares 1% of the premium on options on equities and equity indexes
5	Performance fee	Net assets	For all shares, with the exception of CL EUR, CD EUR, and R EUR: 15% of the sub-fund's outperformance in relation to the benchmark: 40% Euro EMTS Global + 30% Euro Stoxx ® DR (C) + 20% MSCI Daily TR Net World Ex EMU \$ converted into € + 10% EONIA during the year, provided that the sub-fund has positive performance over this period. This same outperformance fee will be applicable to MF EUR shares beginning 1 <sup>st</sup> January 2018.

#### Performance fee:

The calculation period for the performance fee is the sub-fund's financial year. At each calculation of the net asset value, the outperformance of the sub-fund is determined as the positive difference between the sub-fund's net assets before taking into account any provision for outperformance fees, and the net assets of a notional fund delivering a performance equal to that of the sub-fund's composite benchmark and recording the same pattern of subscriptions and redemptions as the actual sub-fund.

The variable management fees are calculated by the Management Company at each net asset value calculation. A provision is established for these fees only if the two following conditions are met: (i) the sub-fund has outperformed its benchmark, and (ii) the sub-fund has generated positive returns since the start of the financial year. Such a provision can only be made if the net asset value after taking into account any provision for outperformance fees is greater than the net asset value at the start of the financial year.

In the event of underperformance, a provision write-back is carried out within the limit of the account balance. This provision for variable management fees is definitively paid to the management company at the end of each financial year.

In the event of redemption, a share of the provision for variable management fees on outstandings recognised during the last valuation is permanently allocated to a specific third-party account in proportion to the number of units redeemed. This share of variable management fees is paid to the Management Company upon redemption.

#### Securities financing transactions:

For its securities financing transactions involving the sale of securities, the sub-fund's service provider shall be one or more credit institutions having their head office in a Member State of the European Union. The service providers shall act independently of the sub-fund and shall systematically be counterparties of transactions on the market. These service providers shall belong to the Rothschild & Co Group or an entity of the group to which it belongs (hereinafter "Entity"). As such, the Entity's performance of the transactions may generate a potential conflict of interest.

Securities lending or borrowing is remunerated on a pro rata temporis basis according to a fixed or variable rate that depends on market conditions.



No remuneration is retained by the Depositary (as part of its custodian function) or the management company on securities financing transactions. All income from these transactions shall be fully collected by the sub-fund. These transactions generate costs borne by the sub-fund; the billing by the Entity may not exceed 50% of the income generated by these transactions.

In addition, the management company does not receive any soft commission.

Research-related expenses within the meaning of Article 314-21 of the AMF's General Regulation can be charged to the sub-fund.

For any additional information, please refer to the sub-fund's annual report.

Financial intermediary selection procedure:

Rothschild & Co Asset Management Europe takes meticulous care in choosing its intermediaries. They are selected on the basis of the quality of their research, but also their speed and reliability in the execution and processing of orders. We therefore choose those we consider to be the best following a rigorous, regular process.



Sub-fund No.13: R-co CONVICTION EQUITY VALUE EURO:

➤ **General characteristics**

**ISIN code:**

C EUR share:	FR0010187898
CL EUR share:	FR0013294006
F EUR share:	FR0010807099
I EUR share:	FR0010839555
ID EUR share:	FR0011418342
M EUR share:	FR0011845411
MF EUR share:	FR0013294022
P EUR share:	FR0011845429
PB EUR share:	FR0013076411
R EUR share:	FR0013111754

**Share characteristics:**

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the SICAV's assets. Each shareholder is entitled to ownership of the SICAV's assets in proportion to the number of shares held.

Specification of methods of managing liabilities:

Liabilities are managed by Rothschild Martin Maurel. Admission of the shares is done in Euroclear France.

Voting rights: Each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.

Form of shares: bearer

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of December

First closing: December 2019

**Taxation:** sub-fund eligible for the French equity savings plan (PEA).

The sub-fund is eligible for the allowance for a common law holding period provided for in 1ter of Article 150-0D of the French general tax code, given that at least 75% of the sub-fund has been invested in units or shares of companies at all times since its creation. This tax treatment for net gains (capital gains or losses) from the sale of securities or ownership interests is subject to the progress income tax scale and applicable to natural persons whose residence is in France for tax purposes.

Investors are advised to contact a specialised advisor on this matter.

It is specified that the sub-fund will at all times invest at least 51% of its total net assets in equity participations (and that are not subject to lending), as defined by the German tax system for investment funds (provisions applicable under the German Investment Tax Act 2018 and administrative decrees issued by the German tax authorities).

**Special provisions**

**Classification:** Equities of eurozone countries. At least 60% of the UCI is exposed to eurozone equity markets.

**Delegation of financial management:** No

**Investment objective:**

The investment objective of the R-co Conviction Equity Value Euro sub-fund is to outperform the EURO STOXX® index, net of management fees, by having a constant exposure of a minimum of 70% of its assets in equities issued on one or more markets of the eurozone and possibly of countries of Eastern Europe within a maximum limit of 10%.

**Benchmark:**

The benchmark is the **EURO STOXX® (dividends reinvested), (Bloomberg code: SXXT)**.

The EURO STOXX® is a benchmark index of eurozone equities calculated by Stoxx Limited.

The EURO STOXX® index comprises around 300 securities among the eurozone's largest market capitalisations. This index is available at <http://www.stoxx.com>.

As of the date of the last update of this prospectus, the administrator of the benchmark index is not yet entered on the register of administrators and benchmark indexes maintained by the ESMA.



In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company has a procedure for monitoring the benchmarks used describing the measures to be implemented in the event of substantial changes to an index or if that index ceases to be provided.

The objective of the sub-fund is to outperform its benchmark, the EURO STOXX®, over the recommended investment period. The asset mix of this sub-fund may differ significantly from the composition of the benchmark index.

The sub-fund is not an index-linked UCITS.

#### Investment strategies:

##### a. Description of strategies used:

Securities are selected based on the examination of securities of eurozone listed companies because of their valuation and their profitability.

- The portfolio's global strategic allocation is as follows:

The sub-fund's portfolio is managed in reference to the EURO STOXX® index.

In order to achieve the management objective, at least 70% of the R-co Conviction Equity Value Euro portfolio is continuously exposed to equities issued on one or more markets of the eurozone and possibly of countries of Eastern Europe within a maximum limit of 10%. For the balance, the sub-fund may invest in fixed-income products as well as in UCIs or investment funds. The overall exposure is the following:

- between 70 and 110% of the sub-fund's assets on one or more markets of shares issued in one or more countries of the eurozone and possibly of countries of Eastern Europe within the maximum limit of 10%,
- between 0 and 30% of the assets in fixed-income or convertible products (issued in euros) issued by States or private issuers, whether investment grade or not.

In addition, a minimum of 75% of the sub-fund's assets will always be invested in securities eligible for the French equity savings plan (PEA).

In addition, within a maximum limit of one times the sub-fund's assets, the sub-fund may also trade derivatives on foreign and French regulated markets or OTC markets (market of futures and options on equity or indexes) in order to achieve its investment objective. To do this, it may hedge its portfolio and/or expose it on indexes or equities.

The exposure to currency risk for currencies other than the euro is incidental.

#### Criteria for selecting securities:

The management policy involves opportunistic investments in securities offering:

- either an undervaluation of assets by the stock prices (enterprise value/capital employed, enterprise value to turnover, free cash flow yield, etc.) considering the current profitability of the assets or, in a dynamic business vision, taking margin improvement expectations into account. These expectations of changes in the profitability of companies are constructed based on an understanding of the competition, the strategy of players within the sector, barriers to entry, products, supply/demand balance, etc.
- or strong earnings growth characterised by high returns on invested capital with opportunities for reinvestment of free cash flows under attractive conditions.

Depending on the investment opportunities, the sub-fund may be partially invested in small caps and mid-caps.

If the market offers few opportunities for investment during a given period, given the criteria for valuation of assets/estimated profitability of assets, the sub-fund may be less exposed to the equity market within a limit of 70% of its assets.

##### b. Description of the classes of assets (excluding embedded derivatives) and financial contracts used:

All asset classes included in the composition of the assets of the sub-fund are:

- **Equities:** 75-100% of net assets

Within the limit of the holding range specified in the table below, the sub-fund shall invest on one or more of the markets of equities issued in one of the countries of the eurozone, including the French market. The sectoral distribution of issuers is not determined in advance and shall be determined based on market opportunities.

In any event, within the limit of the holding range specified below, the sub-fund shall be invested in one or more of the equity markets belonging to all industrial sectors and all market capitalisations (with a maximum of 50% in small caps) issued in one or more countries of the eurozone and possibly countries of Eastern Europe within the maximum limit of 10%. Small caps represent securities of issuers with a capitalisation of less than 1 billion euros, and mid-caps represent securities with a capitalisation of less than 8 billion euros.



- **Debt securities, Money market instruments, and Fixed-income or convertible products:** 0-25 % of net assets

Within the limit of the holding range specified in the table below, the sub-fund shall invest in fixed-income or convertible products, negotiable debt securities, such as medium-term negotiable securities (including certificates of deposit and treasury notes issued before 31 May 2016), and Euro Commercial Paper, issued in euros. Investments shall be made in investment grade securities. High-yield securities shall not represent more than 10% of the assets. These investments in fixed-income products correspond to a higher compensation target than the euro money market pending investment opportunities on equities.

The private/public debt distribution is not determined in advance and shall be determined based on market opportunities. There is no minimum credit quality criterion. The management company does not exclusively or automatically use credit ratings issued by rating agencies but undertakes its own in-depth analysis to assess the credit quality of fixed-rate instruments.

- **Holding of shares or units of other UCITs, AIFs, or investment funds governed by foreign law:** 0-10% of net assets.

Within the holding range specified in the table below, the sub-fund may hold:

- units or shares of French or European UCITS funds governed by European directive 2009/65/EC
- units or shares of French or European AIFs
- units or shares of French UCIs governed by European directive 2009/65/EC or not, managed by the Rothschild & Co group.

The main objective of these investments is the placement of liquid assets, exposure of the portfolio on specialised UCIs in eurozone small-caps and mid-caps, in convertible bonds, or in equities of Eastern Europe.

**For each of the classes mentioned above:**

	Equities	Fixed-income or convertible products	Units or shares of UCIs or investment funds
Holding ranges	75-100 %	0-25 %	0-10 %
Investment in financial instruments of non-OECD countries	0-10 %	None	0-10 %
Investment in small caps	0-50%	None	0-10%
Investment restrictions imposed by the management company	None	None	None

**c. Derivatives:**

The sub-fund may trade on regulated, organised, or OTC markets.

The manager shall intervene on equity risk for exposure and hedging. These interventions shall be made in order to achieve the investment objective.

In particular, the manager may trade on the market of futures and options on equity or indexes.

To this end, in order to achieve the investment objective, the purpose of using derivatives will be general hedging of the portfolio for certain risks, markets, or securities and reconstitution of synthetic exposure to assets and risks. The equity market exposure resulting from balance sheet positions and off-balance sheet commitments varies between 70% and 110%.

Please note that the sub-fund will not use the Total Return Swap (TRS).

**Information related to counterparties of over-the-counter derivatives:**

Counterparties, which may or may not be a credit institution, shall be selected according to the procedure in force within the Rothschild & Co Group and on the basis of the principle of selectivity as part of an ad hoc internal process. The Management Company may regularly select the Depositary as its counterparty for OTC exchange derivatives.

In particular, this involves:

- a validation of the counterparties at the end of this internal selection process, which takes into account criteria such as the nature of the activities, expertise, reputation, etc.
- a limited number of financial institutions with which the sub-fund trades.



**d. Securities with embedded derivatives (convertible bonds):**

The use of securities with embedded derivatives (convertible bonds) is limited to 25% of net assets in order to achieve the investment objective, particularly in managing its equity market exposure. The portfolio's overall equity market exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 110%.

**e. Deposits:**

Within a limit of 10% of its assets, the sub-fund may resort to deposits in euros with a life less than or equal to three months so as to earn returns on the sub-fund's cash.

**f. Cash loans:**

Within a limit of 10% of its assets, the sub-fund may resort to loans, particularly in order to compensate for deferred payment methods for asset movements.

**g. Securities financing transactions: None**

**Information about the financial collateral of the sub-fund:**

For transactions on OTC derivatives, the sub-fund may receive securities (such as bonds or securities issued or guaranteed by a State or issued by international lending agencies and bonds or securities issued by private issuers of good quality) or cash as collateral. There is no correlation policy insofar as the sub-fund will receive mainly government securities of the eurozone and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility, diversified issuers that are not an entity of the counterparty or its group.

Discounts may be applied to the collateral received; they shall take into account, in particular, the credit quality and the volatility of the prices of the securities. The valuation is performed at least on a daily basis.

Financial collateral received must be able to give rise to a full execution by the sub-fund at any time and without consultation or approval of the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash must only be:

- placed in deposit accounts;
- invested in high-quality government bonds;
- invested in money market collective investment schemes.

**Risk profile:**

*"Your money shall be invested primarily in financial instruments selected by the management company. These instruments will be subject to market fluctuations and uncertainties. "*

Investors are exposed through the sub-fund mainly to the following risks:

1- Market risk:

The main risk to which the investor is exposed is market risk, as more than 70% of the sub-fund is continuously exposed on one or more markets of equities issued in one or more countries of the eurozone and possibly of countries of Eastern Europe within a maximum limit of 10%. Specifically, the sub-fund may experience:

- Risks associated with investments in equities,
- Risks associated with investments in small-cap, mid-cap, and large-cap companies,  
**Investors should be aware that small-cap markets are intended to accommodate businesses that, because of their specific characteristics, may present risks for investments.**  
 Small caps may represent up to 50%.
- A volatility risk associated with investment on eurozone equity markets.  
 Therefore, if equity markets decline, the sub-fund's net asset value may decline.

2- Capital risk:

There is a risk of capital loss, as the sub-fund does not incorporate any capital guarantee.

3- Interest rate risk:

Risk associated with investments in debt securities and fixed-income products. Thus, in the event of an increase in interest rates, the sub-fund's net asset value may decline. This investment is limited to 30% of assets;

4- Credit risk:



Risk of credit quality deterioration or default of an issuer present in the portfolio or default of a counterparty to an OTC transaction. As such, in the event of a positive credit risk exposure and an increase in credit spreads may negatively impact performance. Similarly, negative credit risk exposure and a decrease in credit spreads may negatively impact performance.

- 5- Counterparty risk:  
The sub-fund may use over-the-counter derivatives. These transactions, entered into with a counterparty, expose the sub-fund to a risk of the counterparty's default, which may cause the net asset value of the sub-fund to decline. Nevertheless, the counterparty risk may be limited by establishing guarantees granted to the sub-fund in accordance with the regulations in force.
- 6- Specific risk associated with investment in convertible bonds:  
Investors should be aware that, because of the use of convertible bonds, the sub-fund's net asset value may decrease if interest rates increase, the issuer's risk profile deteriorates, equity markets decline, or the valuation of conversion options decreases.
- 7- Risk that the performance of the sub-fund will not be consistent with its objectives or the investor's objectives.
- 8- On an incidental basis, the sub-fund may be exposed to a currency risk against the euro: on non-eurozone European currencies. An increase in the euro may thus result in a decline in sub-fund's net asset value.

**Guarantee or protection**: None

**Eligible subscribers and typical investor profile**: All subscribers (see summary table of share characteristics).

With regard to the typical investment profile, this sub-fund is intended for investors who wish to be exposed mainly to equity markets of the eurozone.

The amount that can be reasonably invested in this sub-fund depends on each unitholder's personal situation. To determine this amount, investors must consider their personal wealth, their current needs, and their needs over the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment. Investors are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this sub-fund.

**Recommended investment period**: more than 5 years

**Establishment and allocation of distributable amounts**:

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the sub-fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

- 1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;
- 2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be accumulated and/or paid out and/or retained, independently of each other, in whole or in part.

Amounts available for distribution must be paid within a maximum period of five months from the year-end.

- C EUR, CL EUR, F EUR, I EUR, M EUR, P EUR, and R EUR: accumulation shares.
- ID EUR, MF EUR, and PB EUR shares: distribution shares, full payout of the net income as defined in 1) above, concerning the capital gains or losses defined in 2) above, the management company may pay them out (totally or partially) and/or retain them (totally or partially).

For accumulation shares: amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory payout by law.

For distribution shares: full payout of net income as defined in 1) above, concerning the capital gains or losses defined in 2) above, the management company may, each year, accumulate them (totally or partially) and/or pay them out (totally or partially) and/or retain them (totally or partially).

**Frequency of payout**:

- C EUR, CL, EUR, F EUR, I EUR, M EUR, P EUR, and R EUR: amounts available for distribution are fully accumulated



- ID EUR, MF EUR, and PB EUR shares: Annual on the decision of the Annual General Meeting with the possibility of an interim distribution on the decision of the Board of Directors.

### Share characteristics:

Share class	ISIN code	Allocation of amounts available for distribution	Currency of issue	Target subscribers	Minimum initial subscription amount <sup>1 2</sup>
C EUR	FR0010187898	Accumulation	EUR	All subscribers	2,500 euros Initial NAV of a share: 100 euros
CL EUR	FR0013294006	Accumulation	EUR	See below*	1 share or 500,000 euros for institutional investors  Initial NAV: equal to the NAV of the C EUR share on the day when the CL EUR share is created
F EUR	FR0010807099	Accumulation	EUR	All subscribers	1 share Initial NAV: equal to the NAV of the C share on the day when the F share is created
I EUR	FR0010839555	Accumulation	EUR	All subscribers but specifically intended for institutional investors	5,000,000 euros Initial NAV: 1,000,000 euros (division of the net asset value by 10 on 20 October 2010)
ID EUR	FR0011418342	Income	EUR	All subscribers but specifically intended for institutional investors	5,000,000 euros Initial NAV: 100,000 euros
M EUR	FR0011845411	Accumulation	EUR	Shares reserved for mutual funds, employees and officers of the Rothschild & Co Group	1,000 euros Initial net asset value: 1,000 euros
MF EUR	FR0013294022	Income	EUR	Shares reserved for feeder UCIs of the Rothschild & Co Group	5,000 euros Initial NAV: equal to the NAV of the PB EUR share on the day when the MF EUR share is created
P EUR	FR0011845429	Accumulation	EUR	See below*	5,000 euros or 500,000 euros for institutional investors  Initial net asset value of one share: 1,000 euros
PB EUR	FR0013076411	Income	EUR	See below*	5,000 euros or 500,000 euros for institutional investors  Initial net asset value of one share: 1,000 euros
R EUR	FR0013111754	Accumulation	EUR	All subscribers but specifically intended for foreign marketing networks	100 euros Initial NAV: 10 euros

<sup>1</sup> The management company, or any other entity belonging to the same group, is exempt from the initial minimum subscription obligation, where applicable.

<sup>2</sup> Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

\* Subscription for this stock is reserved for:

1) investors subscribing through distributors or intermediaries:

- subject to national laws prohibiting all retrocessions to distributors (for example, Great Britain and the Netherlands),
- or
- providing
  - an independent advisory service within the meaning of the European MiFID 2 regulation



- an individual discretionary portfolio management service
- 2) institutional investors whose minimum initial subscription amount is 500,000 euros.

The sub-fund has ten share classes: C EUR, CL EUR, F EUR, I EUR, ID EUR, M EUR, MF EUR, P EUR, PB EUR, and R EUR. These ten share classes differ particularly from the point of view of their scheme for allocation of amounts available for distribution, their management fees, performance fee, and subscription/redemption fees, their par value, and the distribution network(s) for which they are intended.

In addition, for each share class, the Management Company reserves the right to not activate it and therefore to delay its commercial launch.

**Subscription and redemption:**

Subscription and redemption requests are centralised each day at twelve (12) pm at Rothschild Martin Maurel and executed on the basis of the next net asset value (D) (price unknown). However, if the official closing time of the Paris stock exchange is made earlier on an exceptional basis, the subscription and redemption order centralisation time will be changed to 11 am instead of 12 pm. Settlements relating to subscriptions and redemptions occur on the second business day following (D+2).

Orders are executed in accordance with the table below:

D	D	D: day of NAV calculation	D+1 business day	D+2 business days	D+2 business days
Centralisation of subscription orders before 12 pm <sup>1</sup>	Centralisation of redemption orders before 12 pm <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

**Receipt of subscriptions and redemptions:**

Rothschild Martin Maurel – 29, avenue de Messine – 75008 Paris.

**Condition for unit exchanges, subject to eligibility:**

Exchange requests are received and centralised each valuation day and executed according to the procedures indicated above. Any fractional units are either settled in cash or supplemented for the subscription of an additional unit, exempt from any subscription fee.

Any exchange of a share class of the sub-fund for another share class is considered a redemption followed by a subscription and is therefore subject to the tax system applicable to capital gains or losses on disposals of securities.

**Determination of net asset value**

The net asset value is calculated each trading day in Paris unless the Paris stock exchange is closed or if that day is a public holiday in France.

The net asset value is published on the management company's website at the following website: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

➤ **Charges and fees:**

• **Subscription and redemption fees:**

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or decrease the redemption price received. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund in investing or divesting the entrusted assets. Any fees not retained by the UCITS are paid to the management company, marketer, distributor, etc.

Fees charged to the investor, deducted at the time of subscriptions and redemptions	Base	Rate Scale
Subscription fee not retained by the sub-fund	Net asset value X number of shares	C EUR, CL EUR, F EUR, I EUR, ID EUR, MF EUR, P EUR, and PB EUR shares: 4.5% maximum M EUR share: 5% maximum R EUR share: none
Subscription fee retained by the sub-fund	Net asset value X number of shares	None



Redemption fee not retained by the sub-fund	Net asset value X number of shares	None
Redemption fee retained by the sub-fund	Net asset value X number of shares	None

**Exemption:** if the redemption order is immediately followed by a subscription, on the same day, on the same share class, and for the same amount on the basis of the same net asset value, no subscription or redemption fees shall be charged.

- **Operating and management charges**

These charges cover all costs billed directly to the sub-fund, with the exception of transaction costs. Transaction charges include intermediation charges (brokerage, etc.) and the transaction fee, where applicable, which may be collected particularly by the custodian and the management company.

The following may be added to the operating expenses and management fees:

- performance fees. These remunerate the Management Company for achieving performance in excess of the sub-fund's objectives. They are charged to the sub-fund;
- activity fees charged to the sub-fund.

For more information on the charges actually billed to the sub-fund, refer to the Key Investor Information Document (KIID).

	<b>Fees charged to the sub-fund</b>	<b>Base</b>	<b>Rate Scale</b>
1	Financial management fees	Net assets	C EUR share: 1.5% maximum CL EUR share: 1.25% maximum F EUR share: 1.9% maximum I EUR and ID EUR shares: 0.75% maximum M EUR share: 0.001% maximum P EUR and PB EUR shares: 0.90% maximum until 31/12/2017 / 0.95% maximum beginning 01/01/2018 MF EUR share: 0.95% maximum R EUR share: 2.30% maximum
2	Administrative fees external to the management company		
3	<u>Maximum indirect fees:</u> - management fees - other fees: - subscription: - redemption:	Net assets	Not Applicable
4	<u>Service providers collecting transaction fees:</u> <u>Depository:</u> between 0% and 50% <u>Management Company:</u> between 50% and 100%	Deduction from each transaction	0.03% on French and foreign bonds 0.30% on French shares 0.40% on foreign shares 2% of the premium on options on equities and equity indexes
5	Performance fee	Net assets	C EUR, F EUR, I EUR, ID EUR, P EUR, and PB EUR shares: 15% of the sub-fund's outperformance relative to the Euro Stoxx® index, net dividends reinvested, during the financial year. This same outperformance fee will be applicable to MF EUR share beginning 1 January 2018. CL EUR, M EUR, and R EUR shares: none

Performance fee:

The calculation period for the performance fee is the sub-fund's financial year. At each calculation of the net asset value, the outperformance of the sub-fund is determined as the positive difference between the sub-fund's net assets before taking into account any provision for outperformance fees, and the net assets of a notional UCITS delivering a performance equal to that of the sub-fund's benchmark and recording the same pattern of subscriptions and redemptions as the sub-fund.

The variable management fees are calculated by the Management Company at each net asset value calculation.

In the event of underperformance, a provision write-back is carried out within the limit of the account balance. This provision for variable management fees is definitively paid to the management company at the end of each financial year.



In the event of redemption, a share of the provision for variable management fees on outstandings recognised during the last valuation is permanently allocated to a specific third-party account in proportion to the number of shares redeemed. This share of variable management fees is paid to the Management Company upon redemption.

The management company does not receive any soft commission.

Research-related expenses within the meaning of Article 314-21 of the AMF's General Regulation can be charged to the sub-fund.

For any additional information, please refer to the sub-fund's annual report.

#### **Intermediary selection procedure**

Rothschild & Co Asset Management Europe takes meticulous care in choosing its intermediaries. They are selected on the basis of the quality of their research, but also their speed and reliability in the execution and processing of orders. We therefore choose those we consider to be the best following a rigorous, regular process.



Sub-fund No. 14: RMM ACTIONS USA:

➤ **General characteristics**

C EUR share	:	FR0011212547
H EUR share	:	FR0011069137
MF USD share	:	FR0013221462

**Share characteristics:**

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the SICAV sub-fund in proportion to the number of shares held.

Management of liabilities: liabilities are managed by Rothschild Martin Maurel. Admission of the shares is done in Euroclear France.

Voting rights: each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.

Form of shares: bearer

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of the month of December (1st closing: December 2020).

**Tax treatment:**

The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each subscriber and/or the investment jurisdiction of the sub-fund. When in doubt, the subscriber should contact a professional adviser.

Investors are advised to contact a specialised advisor on this matter.

➤ **Special provisions**

**Classification:** International equities

**Delegation of financial management:** None

**Investment objective:**

The management objective of the RMM Actions USA sub-fund is to outperform, net of management fees, the Standard & Poor's 500 DNR index, while having at least 75% of its assets permanently invested exposed to the US equity market.

**Benchmark:**

The sub-fund's performance shall be compared against its benchmark index, Standard & Poor's 500 DNR (dividends reinvested).

The performance of the C EUR and MF USD shares in the sub-fund is compared against Standard & Poor's 500 DNR index, unhedged against currency risk.

The performance of the H EUR share in the sub-fund is compared against Standard & Poor's 500 DNR index, hedged against currency risk.

Standard & Poor's 500 DNR (Bloomberg Code: SPXT Index) is a benchmark index invested in US equities.

Standard & Poor's 500 DNR index comprises 500 US companies chosen for market size, their liquidity and for the purposes of industrial group representation. It is calculated daily by Standard & Poor's and is weighted by market capitalization. This index is available at [www.standardandpoors.com](http://www.standardandpoors.com).

As of the date of the last update of this prospectus, the administrator of the benchmark index is not yet entered on the register of administrators and benchmark indexes maintained by the ESMA.

In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company has a procedure for monitoring the benchmarks used describing the measures to be implemented in the event of substantial changes to an index or if that index ceases to be provided.

The sub-fund is not an index-linked UCITS.



## Investment strategy:

### a. Description of strategies used:

- The portfolio's global strategic allocation is as follows:

The sub-fund's portfolio is managed in reference to the Standard & Poor's 500 DNR index.

In order to achieve the management objective, between 75% and 110% of the RMM Actions USA portfolio is continuously exposed to equities issued on the US equity market.

The sub-fund can be invested in the following equities:

- Between 75% and 100% of the equities in the sub-fund can be invested on the US equity market,
- Between 0% and 25 % invested in fixed-income products issued by States or private issuers, whether Investment Grade or not. These investments in fixed-income products correspond to a higher compensation target than the money market pending investment opportunities on equities.
- Between 0% and 10% of the net assets in repurchase agreements against bonds or against negotiable debt securities.
- Between 0 and 10% of the net assets in:
  - deposits;
  - units or shares of French or European UCITS funds governed by European directive 2009/65/EC;
  - Units or shares of French or European AIFs (including units or shares in foreign Rothschild & Co Group UCITS, AIF or investment funds).

In addition, within a maximum limit of one times its sub-fund assets, the sub-fund may use derivatives traded on foreign and French regulated markets or OTC markets (foreign exchange swaps, futures and options markets on equities or equity indices) to achieve its management objective (particularly in managing its exposure to the equity and foreign exchange markets). To do this, it may hedge its portfolio and/or expose it on fixed-rate instruments, indexes, or equities. Moreover, bearers of H EUR shares in the sub-fund shall benefit from full and systematic hedging against currency risk.

The sub-fund's overall equity market exposure, including exposure resulting from the use of derivatives, shall be between 75% and 110%.

- Criteria for selecting securities:

The sub-fund is managed actively and will mainly invest (at least 75%) in a wide range of equities issued on the US equity market.

The sub-fund manager uses the index as a basis for the portfolio, by selecting similar components and index weightings. A decision is then made regarding over- and underweighting certain sectors based on a Top-Down analysis of the macroeconomic and financial environment. Specific equities are then selected to correspond to the sector over- and underweighting. The sub-fund manager may invest on a discretionary basis in companies or sectors that are not included in the index, to take advantage of specific investment opportunities. Deviations from the index will be capped, thus limiting the sub-fund's ability to outperform the index.

The management process for the sub-fund combines the Top-Down and Bottom-Up approaches, thus identifying two sources of added value:

- The sectoral allocation results from the analysis of the macroeconomic and financial environment, based on a certain number of parameters influencing profitability outlooks for the ten main sectors: interest rates, foreign exchange rates, changes in the demand, etc.
- The selection of securities is based on a fundamental approach, followed by a qualitative approach: selecting securities based on intrinsic valuation criteria and comparison with the market and the sector. The qualitative approach approves the selection of securities by assessing market positioning, the clarity of the company's strategy and the quality of the directors.

The management company does not exclusively or automatically use credit ratings issued by rating agencies but undertakes its own in-depth analysis to assess the credit quality of fixed-rate instruments.



**b. Description of the asset classes (excluding embedded derivatives):**

All asset classes included in the composition of the assets of the sub-fund are:

- **Equities:** 75-100% of net assets

Within the holding range specified in the table below, the sub-fund will invest on one or more US equity markets. The sectoral distribution of issuers is not determined in advance and shall be determined based on market opportunities.

In any event, within the limit of the holding range specified below, the investment level of the sub-fund's equity component is between 75 and 100% of its assets on the US equity market in all industrial sectors and all market capitalisations (with a maximum of 20% in small caps).

- **Debt securities, Money market instruments, and Fixed-income or convertible products:** 0-25% of net assets

Within the limit of the holding range specified in the table below, the sub-fund shall invest in negotiable debt securities, such as treasury notes, certificates of deposit and Euro Commercial Paper. These investments in fixed-income products correspond to a primary objective of cash management. The private/public debt distribution is not determined in advance and shall be determined based on market opportunities. There is no credit quality criterion.

- **Holding of shares or units of other UCITs, AIFs, or investment funds governed by foreign law:** 0-10% of net assets

Within the holding range specified below, the sub-fund may hold:

- units or shares of French or European UCITs governed by European directive 2009/65/EC,
- units or shares of French or European AIFs or foreign investment funds meeting the four criteria of R.214-13 of the French monetary and financial code,
- units or shares of foreign UCITs, AIF or investment funds managed by the Rothschild & Co. Group.

The main aim of these investments is to invest cash in and expose the portfolio to UCITs, AIF or investment funds specialising in US equities.

- **For each of the classes mentioned above:**

	Equities	Fixed-income or convertible products	Units or shares of UCIs or investment funds
Holding ranges	75-100 %	0-25 %	0-10 %
Investment in financial instruments of non-OECD countries	None	None	None
Investment restrictions imposed by the management company	None	None	None

**c. Derivatives:**

The sub-fund may trade on regulated, organised, or OTC markets.

The manager shall intervene on equity and exchange rate risk for exposure and hedging. These operations will be carried out in order to achieve the management objective, particularly in the steering of its exposure to the equity market and, notably, to ensure bearers of H EUR shares in the sub-fund benefit from total and systematic hedging against currency risk. To do this, the manager shall hedge the portfolio and/or expose it on fixed-rate instruments, indexes or equities.

The sub-fund's overall equity market exposure, including exposure resulting from the use of derivatives, shall be between 75% and 110%.

In particular, the manager may trade on the market of futures and options on equity or indexes, and interest rate and foreign exchange swaps.

Please note that the sub-fund will not use the Total Return Swap (TRS).

**Information related to counterparties of over-the-counter derivatives:**

Counterparties, which may or may not be a credit institution, shall be selected according to the procedure in force within the Rothschild & Co Group and on the basis of the principle of selectivity as part of an ad hoc internal process. The Management Company may regularly select the Depositary as its counterparty for OTC exchange derivatives.

In particular, this involves:



- a validation of the counterparties at the end of this internal selection process, which takes into account criteria such as the nature of the activities, expertise, reputation, etc.
- a limited number of financial institutions with which the UCITS trades.

**d. Securities with embedded derivatives (bond warrants, credit-linked notes, structured EMTNs, convertible bonds, contingent convertible bonds, callable and puttable bonds, etc.)**

The use of securities with embedded derivatives (bond warrants and other warrants, etc.) in order to achieve the management objective, particularly in managing its equity market exposure, is limited to 10% of net assets.

The sub-fund's overall equity market exposure, including exposure resulting from the use of equities with embedded derivatives, shall be between 75% and 110%.

In particular, the manager shall invest in bond warrants and other warrants.

**e. Deposits:**

Within a limit of 10% of its assets, the sub-fund may resort to deposits in euros with a life less than or equal to three months so as to earn returns on the sub-fund's cash.

**f. Cash loans:**

Within a limit of 10% of its assets, the sub-fund may resort to loans, particularly in order to compensate for deferred payment methods for asset movements.

**g. Securities financing transactions:**

• General description of transactions:

▪ Purpose of the transactions:

Securities financing transactions shall be carried out in accordance with the French monetary and financial code. They shall be conducted as part of cash management and/or optimisation of the sub-fund's income.

▪ Type of transactions used:

These transactions shall consist of securities lending and borrowing and/or repurchase and reverse repurchase agreements, fixed-income products, or credit products (debt securities and money market instruments) from issuers of OECD member countries.

• General information for each type of transaction:

▪ Level of intended use:

Securities financing transactions involving disposals (securities lending, repurchase agreements) and acquisitions (securities borrowing, reverse repurchase agreements) of securities may be carried out for up to 100% of the sub-fund's assets. The expected proportion of assets under management that will be the subject of such a transaction may represent 10% of the assets.

▪ Remuneration:

Additional information about the remuneration is provided in the "Charges and fees" section.

• Information on the counterparties, collateral, and risks:

▪ Collateral:

Collateral received as part of these transactions shall be the subject of a discount according to the principle described in the "Information about the financial collateral of the sub-fund" section. The Collateral shall be kept by the custodian of the SICAV. For more information about collateral, refer to the "Information about the sub-fund's financial collateral" section.

▪ Selection of Counterparties:

A procedure for selecting counterparties with which these transactions are entered into makes it possible to prevent the risk of a conflict of interest when these transactions are used. These counterparties shall be Credit Institutions having their registered office in a member State of the European Union and with a minimum rating of A. Additional information about the counterparty selection procedure is provided in the "Charges and fees" section.

▪ Risks: refer to the "Risk related to implemented management" section and especially "counterparty risk".

**h. Information about the financial collateral of the sub-fund:**

As part of securities financing transactions and transactions on OTC derivatives, the sub-fund may receive securities (such as bonds or securities issued or guaranteed by a State or issued by international lending agencies and bonds or securities issued by good quality private issuers) or cash as collateral. There is no correlation policy insofar as the sub-fund will receive mainly government securities of the eurozone and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.



All of these assets must be issued by high-quality, liquid, low-volatility, diversified issuers that are not an entity of the counterparty or its group.

Discounts may be applied to the collateral received; they shall take into account, in particular, the credit quality and the volatility of the prices of the securities. The valuation is performed at least on a daily basis.

Financial collateral received must be able to give rise to a full execution by the sub-fund at any time and without consultation or approval of the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash must only be:

- placed in deposit accounts;
- invested in high-quality government bonds;
- used for the purposes of reverse repurchase agreement transactions, provided that these transactions are entered into with credit institutions subject to prudential supervision and that the sub-fund can, at any time, recall the total amount of cash, taking into account the accrued interest;
- invested in money market collective investment schemes.

### **Risk profile:**

1. **Market risk:**

The main risk to which investors are exposed is market risk, given that more than 75% of the sub-fund may be permanently exposed to the US equity market. Specifically, the sub-fund may experience:

- o Risks associated with investments in equities,
- o Risks associated with investments in small-cap companies within a limit of 20%,
- o A volatility risk associated with investment on the US equity market,
- o A liquidity risk associated with investments in small-cap companies,

In the event of an equity market decline, the sub-fund's net asset value may decline.

2. **Currency risk:** bearers of C EUR shares may be exposed to currency risk for up to a maximum of 100%. Some assets are expressed in a currency other than the sub-fund's accounting currency; therefore, a change in exchange rates may result in a reduction in the fund's net asset value.

3. **Capital risk:** There is a risk of capital loss, as the sub-fund does not incorporate any capital guarantee.

4. **Risk that the performance** of the sub-fund is not consistent with its objectives or the investor's objectives (this risk depends on the composition of the investor's portfolio).

5. **Interest rate risk:** Risk associated with investments in fixed-income products. Thus, in the event of an increase in interest rates, the sub-fund's net asset value may decline. This investment is limited to 25% of assets.

6. **Counterparty Risk:** the sub-fund may use securities financing transactions and/or over-the-counter derivatives.

These transactions, entered into with a counterparty, expose the sub-fund to a risk of the counterparty's default, which may cause the net asset value of the sub-fund to decline. Nevertheless, the counterparty risk may be limited by establishing guarantees granted to the sub-fund in accordance with the regulations in force.

7. **Risks related to securities financing transactions:** In addition to the counterparty risk previously mentioned, the use of these techniques, the management of their collateral, and collateral reuse involve certain specific risks such as the possibility of a lack of liquidity for any instrument, possible risks in relation with the legal documentation, the application of the contracts, and their limits, operational and custodial risks, a risk of incorrect valuation, and a counterparty risk. If use of these transactions proves to be inadequate, ineffective, or a failure due to market conditions, the sub-fund may suffer significant losses that will have a negative effect on the sub-fund's net asset value.

8. **Residual currency risk for bearers of H EUR and MF USD shares:** the sub-fund may bear a residual currency risk.

**Guarantee or protection:** none.

### **Target subscribers and typical investor profile:**

All subscribers (see summary table of share characteristics).

The shares of this sub-fund are not and will not be registered in the United States pursuant to the US Securities Act of 1933 as amended ("Securities Act of 1933") or admitted under any law of the United States. These shares may not be offered, sold, or transferred in or to the United States (including its territories and possessions) or benefit, directly or indirectly, any US Person (within the meaning of Regulation S of the Securities Act of 1933) or equivalent (as referred to in the US "HIRE" Act of 18 March 2010 and in the FATCA framework).

The sub-fund is for investors who wish to be exposed mainly to the US equity markets, either by being totally exposed to the dollar (bearers of C EUR or MF USD shares) or without being exposed to said currency (bearers of H shares). The



amount that can be reasonably invested in this sub-fund depends on each unitholder's personal situation. To determine this amount, unitholders must consider their personal wealth, their current needs, and their needs over the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment. Investors are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this sub-fund.

**Recommended investment period:** More than 5 years

**Determination and allocation of amounts available for distribution:**

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the sub-fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;  
2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be accumulated and/or paid out and/or retained, independently of each other, in whole or in part.

Amounts available for distribution must be paid within a maximum period of five months from the year-end.

- C EUR: accumulation share
- H EUR: accumulation share
- MF USD: distribution share

**For accumulation shares:** amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory payout by law.

**For distribution shares:** full payout of net income as defined in 1) above, concerning the capital gains or losses defined in 2) above, the management company may, each year, accumulate them (totally or partially) and/or pay them out (totally or partially) and/or retain them (totally or partially).

**Frequency of payout:**

- **C EUR and H EUR shares:** Amounts available for distribution are fully accumulated.
- **MF USD share:** Annual by decision of the management company. Interim payments may be made.

**Share characteristics:**

Share class	ISIN code	Allocation of amounts available for distribution	Currency of issue	Target subscribers	Minimum initial subscription amount <sup>1</sup> <sub>2</sub>
C EUR	FR0011212547	Accumulation	EUR	All subscribers	1 share
H EUR	FR0011069137	Accumulation	EUR	All subscribers	1 share
MF USD	FR0013221462	Income	USD	Share reserved for feeder UCIs of the Rothschild & Co Group	5,000 dollars



<sup>1</sup> The management company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

<sup>2</sup> Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

The sub-fund has three share classes: C EUR, H EUR and MF USD. These three share classes are differentiated by a currency risk hedging strategy for each fund and their currency of issue. H EUR shares are fully and systematically hedged against the dollar to euro currency risk whereas C EUR and MF USD shares do not benefit from this. The currency of issue for MF USD shares is the dollar, whereas the currency of issue of C EUR and H EUR shares is the euro.

### **Subscription and redemption:**

Subscription and redemption requests are received and centralised each day at four (4) pm at Rothschild Martin Maurel and executed on the basis of the next net asset value. However, if the official closing time of the Paris stock exchange is made earlier on an exceptional basis, the subscription and redemption order centralisation time will be changed to 11 am instead of 4 pm. Settlements relating to subscriptions and redemptions occur on the third business day following (D+3).

Orders are executed in accordance with the table below:

D	D	D: day of NAV calculation	D+1 business day	D+3 business days	D+3 business days
Centralisation of subscription orders before 4 pm <sup>1</sup>	Centralisation of redemption orders before 4 pm <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

Receipt of subscriptions and redemptions: Rothschild Martin Maurel – 29, avenue de Messine – 75008 Paris.

### **Determination of net asset value:**

The net asset value is calculated each trading day in Paris unless the Paris or US stock exchange is closed or if that day is a public holiday in France.

The net asset value is published on the management company's website at the following website: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

### **Condition for trades of C EUR, H EUR and MF USD shares, subject to eligibility:**

Exchange requests are received and centralised each valuation day and executed according to the procedures indicated above. Any fractional units are either settled in cash or supplemented for the subscription of an additional unit, exempt from any subscription fee.

Any exchange of a share class of the sub-fund for another share class is considered a disposal followed by a redemption followed by a subscription and is therefore subject to the tax system applicable to capital gains or losses on disposals of securities.

#### ➤ **Charges and fees:**

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or decrease the redemption price received. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund in investing or divesting the entrusted assets. Any fees not retained by the UCITS are paid to the management company, marketer, distributor, etc.

<b>Fees charged to the investor, deducted at the time of subscriptions and redemptions</b>	Base	Rate Scale
Subscription fee not retained by the sub-fund	Net asset value X number of shares	C EUR and H EUR shares: 4.5% maximum MF USD share: 3% maximum



Subscription fee retained by the sub-fund	Net asset value X number of shares	None
Redemption fee not retained by the sub-fund	Net asset value X number of shares	None
Redemption fee retained by the sub-fund	Net asset value X number of shares	None

**OPERATING EXPENSES AND MANAGEMENT FEES:**

These charges cover all costs billed directly to the sub-fund, with the exception of transaction costs. Transaction costs include intermediation charges (brokerage, etc.) and turnover fees, where applicable, which may in particular be collected by the custodian and the management company.

The following may be added to the operating and management fees:

- performance fees. These remunerate the Management Company for achieving performance in excess of the sub-fund's objectives. They are charged to the sub-fund;
- activity fees charged to the sub-fund;
- a share of the income from securities financing transactions.

For more information on the charges actually billed to the sub-fund, refer to the Key Investor Information Document (KIID).

	<b>Fees charged to the UCITS</b>	<b>Base</b>	<b>Rate Scale</b>
1	Financial management fees	Net assets	C EUR and H EUR shares: 1.495 % maximum MF USD share: 0.35% maximum
2	Administrative fees external to the management company		
3	<u>Maximum indirect fees:</u>  - <u>management fees</u>  - <u>other fees:</u> - subscription:  - redemption:	Net assets	Not Applicable
4	<u>Service providers collecting transaction fees:</u>  <u>Depository:</u> between 0% and 50% <u>Management Company:</u> between 50% and 100%	Deduction from each transaction	0.03% on French and foreign bonds 0.30% on French shares 0.40% on foreign shares 2% of the premium on options on equities and equity indexes
5	Performance fee	Net assets	None

**Securities financing transactions:**

For its securities financing transactions involving the sale of securities, the sub-fund's service provider shall be one or more credit institutions having their head office in a Member State of the European Union. The service providers shall act independently of the sub-fund and shall systematically be counterparties of transactions on the market. These service providers shall belong to the Rothschild & Co Group or an entity of the group to which it belongs (hereinafter "Entity"). As such, the Entity's performance of the transactions may generate a potential conflict of interest.

Securities lending or borrowing is remunerated on a pro rata temporis basis according to a fixed or variable rate that depends on market conditions.

No remuneration is retained by the Depository (as part of its custodian function) or the management company on securities financing transactions. All income from these transactions shall be fully collected by the sub-fund. These transactions generate costs borne by the sub-fund; the billing by the Entity may not exceed 50% of the income generated by these transactions.



In addition, the management company does not receive any soft commission.

For any additional information, please refer to the sub-fund's annual report.

Financial intermediary selection procedure:

Rothschild & Co Asset Management Europe takes meticulous care in choosing its intermediaries. They are selected on the basis of the quality of their research, but also their speed and reliability in the execution and processing of orders. We therefore choose those we consider to be the best following a rigorous, regular process.



Sub-fund No. 15: R-co CONVICTION EQUITY MULTI CAPS EURO:

➤ **General characteristics**

C EUR share: FR0007085063  
I EUR share: FR0010671479  
MF EUR share: FR0011558212

**Share characteristics:**

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the SICAV sub-fund in proportion to the number of shares held.

Management of liabilities: liabilities are managed by Rothschild Martin Maurel. Admission of the shares is done in Euroclear France.

Voting rights: each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.

Form of shares: bearer

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of the month of December (1st closing: December 2020).

**Tax treatment:**

The sub-fund is eligible for the French equity savings plan (PEA). The tax system applicable to amounts distributed by the UCITS is that of the bearer's country of residence, according to the rules appropriate for their situation (natural person, legal entity subject to corporate tax, tax residence, etc.).

Investors must verify their tax situation with an adviser or professional.

➤ **Special provisions**

**Delegation of financial management:** None

**Investment objective:**

The sub-fund's objective is to outperform, net of management fees, the Dow Jones Euro Stoxx for Eurozone equity markets over a long period (at least 5 years).

**Benchmark:**

The benchmark used is the Dow Jones Euro Stoxx index, net dividends reinvested (Bloomberg SXXT Index code), which is representative of the evolution of eurozone equity markets. It covers approximately 300 eurozone companies of all market capitalisations (small, medium, and large).

This index is available at <http://www.stoxx.com>.

As of the date of the last update of this prospectus, the administrator of the benchmark index is not yet entered on the register of administrators and benchmark indexes maintained by the ESMA.

In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company has a procedure for monitoring the benchmarks used describing the measures to be implemented in the event of substantial changes to an index or if that index ceases to be provided.

**Investment strategy:**

a. **Description of strategies used:**

The investment strategy aims at discretionary portfolio management based on stock-picking within the European Union (minimum 75%). The managers seek quality securities with prospects that appear to be undervalued by the market in the medium term. The investment process incorporates:



1/ A dynamic allocation between large and small caps of the Eurozone.

The observation of stock market trends of large caps and small and mid-caps on the main global equity markets shows that over a very long period, the performance of the two categories is substantially identical. This performance breaks down into sub-periods, most of the time quite long, during which the two categories often move in opposite ways depending on an economic and financial environment favourable to one or the other, as the case may be.

The weighting of the two categories of equities in the portfolio is determined, keeping in mind that the proportion of large caps is always between 40% and 80% of the assets and the proportion of small caps is always between 20% and 60%.

2/ active stock picking.

These companies are selected on the basis of an active and fundamental bottom-up approach in which financial and strategic analysis, combined with an analysis of the valuation and earnings dynamics, are the main quantitative selection criteria. In addition, a qualitative analysis enables the key challenges of the sector to be analysed (sales dynamic, regulatory, social, technological and competitive developments, etc.) and to assess the company's competitive advantages, the experience of the management team and the pertinence of the strategy implemented.

The macroeconomic approach is used as a secondary analysis criteria to position the company studied as best as possible in the general economic cycle (expansion, recession, foreign exchange movements, yield curve, etc.).

Since the portfolio management is not index-based, its composition in terms of economic sectors, geographical origins, market capitalisation sizes of companies (non-exhaustive list), and therefore its performance may differ significantly from the composition and performance of the benchmark indicator.

**b. Description of the asset classes (excluding embedded derivatives):**

All asset classes included in the composition of the assets of the sub-fund are:

- **Equities:** 75-100% of net assets

Within the limit of the holding range specified in the table below, the sub-fund shall invest on one or more of the markets of equities issued in one of the countries of the eurozone (at least 80% and up to 20% outside the eurozone). The sectoral distribution of issuers is not determined in advance and shall be determined based on market opportunities. Thus, the foreign exchange risk will be a maximum of 20% of the net assets.

In any event, within the limit of the holding range specified below, the sub-fund shall be invested in one or more of the equity markets belonging to all industrial sectors and all market capitalisations (between 20% and 60% in small caps and between 40% and 80% in large caps) issued in one or more countries of the eurozone and within the maximum limit of 20% outside of the eurozone.

- **Debt securities and money market instruments:** 0-25 % of net assets

This type of investment shall only concern money market products denominated in euros. All forms of securities are permitted: fixed-income, variable-income, or mixed, low-coupon or zero-coupon, and any other form of securities that the rating agencies (S&P, Fitch, Moody's, etc.) do not consider high-risk securities. The private/public debt distribution is not determined in advance and shall be determined based on market opportunities. In any event, exposure to "high yield" speculative bonds (rated above B- or deemed equivalent by the management company) will not exceed 25% and may be as high as 10% in unrated securities.

The management company has specific credit analysis tools for investment purposes. It has put in place an in-depth credit risk analysis as well as the procedures necessary to take its decisions when purchasing or in case of an event likely to alter an issuer's risk/return profile in order to decide to sell or hold its securities.

Decisions are taken independently by each manager/analyst. In addition, the management company may use external analysis sources: independent consulting companies or specialised credit analysis firms. Their conclusions can corroborate or qualify those of the company's managers/analysts.

However, reference to an issuer's rating by one of the major rating agencies may be used by the management company to inform its clients solely for simplification purposes. It is by no means a decision-making criterion.

- **Holding of shares or units of other UCITSs, AIFs, or investment funds governed by foreign law:** 0-10% of net assets.

Within the holding range specified in the table below, the sub-fund may hold:



For cash management purposes, the sub-fund may invest up to 10% of its assets in units or shares of French or European UCITS unable to invest more than 10% of their assets in units or shares of other UCIs or investment funds, and/or in units or shares of French or European AIFs, provided that they meet the four criteria of Article R.214-13 of the French monetary and financial code. Where appropriate, these UCITs may be managed by the management company or a related company.

o **For each of the classes mentioned above:**

	Equities	Fixed-income products, money market instruments	Units or shares of UCIs or investment funds
Holding ranges	75-100 %	0-25 %	0-10 %
Investment in financial instruments of non-eurozone countries	0-20 %	None	0-10 %
Investment in small caps	20-60%	None	0-10%

**c. Derivatives:**

The sub-fund may trade on regulated, organised, or OTC markets.

The manager shall intervene on equity risk for exposure and hedging. These interventions shall be made in order to achieve the investment objective.

In particular, the manager may trade on the market of futures and options on equity or indexes, and forward exchanges.

To this end, in order to achieve the investment objective, the purpose of using derivatives will be general hedging of the portfolio for certain risks, markets, or securities and reconstitution of synthetic exposure to assets and risks. The equity market exposure resulting from balance sheet positions and off-balance sheet commitments varies between 75% and 110%.

**d. Securities with embedded derivatives:**

None

**e. Deposits:**

None

**f. Cash loans:**

Within a limit of 10% of its assets, the sub-fund may resort to loans, particularly in order to compensate for deferred payment methods for asset movements.

**g. Securities financing transactions:**

None

**h. Information about the financial collateral of the sub-fund:**

For transactions on OTC derivatives, the sub-fund may receive securities (such as bonds or securities issued or guaranteed by a State or issued by international lending agencies and bonds or securities issued by private issuers of good quality) or cash as collateral. There is no correlation policy insofar as the sub-fund will receive mainly government securities of the eurozone and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility, diversified issuers that are not an entity of the counterparty or its group.

Discounts may be applied to the collateral received; they shall take into account, in particular, the credit quality and the volatility of the prices of the securities. The valuation is performed at least on a daily basis.

Financial collateral received must be able to give rise to a full execution by the sub-fund at any time and without consultation or approval of the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash must only be:

- placed in deposit accounts;
- invested in high-quality government bonds;



- invested in money market collective investment schemes.

**Risk profile:**

*“Your money shall be invested primarily in financial instruments selected by the management company. These instruments will be subject to market fluctuations and uncertainties. “*

Investors are exposed through the sub-fund mainly to the following risks:

- 1- **Market risk:** The main risk to which the investor is exposed is market risk, as more than 75% of the sub-fund is permanently exposed to one or more equity markets, in equities issued in one or more countries of the eurozone. Specifically, the sub-fund may experience:
  - o Risks associated with investments in equities,
  - o Risks associated with investments in small-cap, mid-cap, and large-cap companies,  
**Investors should be aware that small-cap markets are intended to accommodate businesses that, because of their specific characteristics, may present risks for investments.**  
Small caps may represent up to 60 %.
  - o A volatility risk associated with investment on eurozone equity markets.

Therefore, if equity markets decline, the sub-fund’s net asset value may decline.

- 2- **Capital risk:** There is a risk of capital loss, as the sub-fund does not incorporate any capital guarantee.

3- **Counterparty Risk:** the sub-fund may use securities financing transactions and/or over-the-counter derivatives. These transactions, entered into with a counterparty, expose the UCITS to a risk of the counterparty’s default, which may cause the net asset value of the UCITS to decline. Nevertheless, the counterparty risk may be limited by establishing guarantees granted to the UCITS in accordance with the regulations in force.

- 4- **Currency risk:** unitholders may be exposed to currency risk for up to a maximum of 20%. Some assets are expressed in a currency other than the sub-fund’s accounting currency; therefore, a change in exchange rates may result in a reduction in the sub-fund’s net asset value.
- 5- **Risk that the performance of the sub-fund** is not consistent with its objectives or the investor’s objectives (this risk depends on the composition of the investor’s portfolio).

**Guarantee or protection:** none.

**Target subscribers and typical investor profile:**

- C EUR share: all subscribers
- I EUR share: especially for institutional investors
- MF EUR share: reserved for feeder UCIs of the Rothschild & Co Group

The sub-fund is intended for a type of investor who is sensitive to equity market trends and therefore accepts an irregular sub-fund share price fluctuation.

The amount that can be reasonably invested in this sub-fund depends on each investor’s personal situation. To determine this amount, investors must consider their personal wealth, their current needs, and the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment.

In any case, investors are strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of the sub-fund.

**Recommended investment period:** five years or more

**Determination and allocation of amounts available for distribution:**



Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the sub-fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

- 1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;
- 2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be accumulated and/or paid out and/or retained, independently of each other, in whole or in part.

Amounts available for distribution must be paid within a maximum period of five months from the year-end.

- C EUR share: accumulation share
- I EUR share: accumulation share
- MF EUR share: accumulation share

For accumulation shares: amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory payout by law.

For distribution shares: full payout of the net income as defined in 1) above, concerning the capital gains or losses defined in 2) above, the management company may, each year, accumulate them (totally or partially) and/or pay them out (totally or partially) and/or retain them (totally or partially).

**Frequency of payout:**

- **C EUR, I EUR and MF EUR shares:** Amounts available for distribution are fully accumulated.

**Share characteristics:**

Share class	ISIN code	Allocation of amounts available for distribution	Currency of issue	Target subscribers	Minimum initial subscription amount*
C EUR share	FR0007085063	Accumulation	EUR	All subscribers	€ 2,500
I EUR share	FR0010671479	Accumulation	EUR	Institutional	€ 5,000,000
MF EUR share	FR0011558212	Accumulation	EUR	Shares reserved for feeder UCIs of the Rothschild & Co Group	€ 5,000

\*This condition regarding the minimum subscription amount does not apply to the management company or an entity belonging to the same group.

**Subscription and redemption:**

Subscription and redemption requests are centralised each day at twelve (12) pm at Rothschild Martin Maurel and executed on the basis of the next net asset value (D) (price unknown). However, if the official closing time of the Paris stock exchange is made earlier on an exceptional basis, the subscription and redemption order centralisation time will be changed to 11 am instead of 12 pm. Settlements relating to subscriptions and redemptions occur on the second business day following (D+2).



D business day	D business day	D: day of NAV calculation	D+1 business day	D+2 business day	D+2 business day
Centralisation of subscription orders before 12 pm <sup>1</sup>	Centralisation of redemption orders before 12 pm <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

Receipt of subscriptions and redemptions: Rothschild Martin Maurel – 29, avenue de Messine – 75008 Paris.

**Determination of net asset value:**

The net asset value is calculated each day when the Paris stock exchange is open, with the exception of French public holidays.

The net asset value is published on the management company's website at the following website: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

➤ **Charges and fees:**

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or decrease the redemption price received. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund in investing or divesting the entrusted assets. Any fees not retained are paid to the management company, marketer, distributor, etc.

<b>Fees charged to the investor, deducted at the time of subscriptions and redemptions</b>	<b>Base</b>	<b>Rate Scale</b>
Subscription fee not retained by the sub-fund	Net asset value X number of shares	4.5% maximum
Subscription fee retained by the sub-fund	Net asset value X number of shares	None
Redemption fee not retained by the sub-fund	Net asset value X number of shares	None
Redemption fee retained by the sub-fund	Net asset value X number of shares	None

**OPERATING EXPENSES AND MANAGEMENT FEES:**

These charges cover all costs billed directly to the sub-fund, with the exception of transaction costs. Transaction costs include intermediation charges (brokerage, etc.) and turnover fees, where applicable, which may in particular be collected by the custodian and the management company.

The following may be added to the operating and management fees:

- performance fees. These remunerate the Management Company for achieving performance in excess of the sub-fund's objectives. They are charged to the sub-fund;
- activity fees charged to the sub-fund.

For more information on the charges actually billed to the sub-fund, refer to the Key Investor Information Document (KIID).



	<b>Fees charged to the sub-fund</b>	<b>Base</b>	<b>Rate Scale</b>
1	Financial management fees Administrative fees external to the management company	Net assets	C EUR share: Maximum 1.50% I EUR share: Maximum 0.75% MF EUR shares: Maximum 0.10 %
2	<u>Maximum indirect fees:</u>  - <u>management fees</u>  - <u>other fees:</u> - subscription: - redemption:	Net assets	None
3	<u>Service providers collecting transaction fees:</u>	Deduction from each transaction	0.03% on French and foreign bonds 0.30% on French shares 0.40% on foreign shares €30 on forwards and options €100 per transaction on other derivatives
4	Performance fee	Net assets	None

\* The management company is exempt from VAT.

Financial intermediary selection procedure:

Rothschild & Co Asset Management Europe takes meticulous care in choosing its intermediaries. They are selected on the basis of the quality of their research, but also their speed and reliability in the execution and processing of orders. We therefore choose those we consider to be the best following a rigorous, regular process.



Sub-fund No. 16: R-co 4CHANGE GREEN BONDS:

➤ **General characteristics**

**ISIN code:**

C EUR share	: FR0013513132
D EUR share	: FR0013513124
IC EUR share	: FR0013513140
ID EUR share	: FR0013513157
P EUR share	: FR0013513165
PB EUR share	: FR0013513173

**Share characteristics:**

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the SICAV sub-fund in proportion to the number of shares held.

Management of liabilities: liabilities are managed by Rothschild Martin Maurel. Admission of the shares is done in Euroclear France.

Voting rights: each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.

Form of shares: bearer

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of December.

First closing: December 2020

**Taxation:**

The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time will generally be regarded as taxable.

➤ **Special provisions**

**Classification:** Bonds and other international debt securities

**Delegation of financial management:** None

**Investment objective:**

The investment objective of the sub-fund is to outperform, net of management fees, the Bloomberg Barclays Global Green Bond Index: Corporate (not hedged and calculated in euro coupons included), by investing a minimum of 75% in Green Bonds over the recommended investment period. The sub-fund seeks to finance the energy transition and contribute to the ecological transition.

**Benchmark:**

The Bloomberg Barclays Global Green Bond Index: Corporate (not hedged and calculated in Euro coupons included) (Bloomberg I31591EU Index code) is a sub-segment of the Bloomberg Barclays Global Green Bond Index. Green Bond indices offer an option for investors seeking to generate a positive social impact through their investments.

They offer an objective and robust measure of the global market of fixed income securities issued to finance projects with direct environmental benefits. Bloomberg Barclays Green Bond Index: Corporate excludes government and para-government bonds from the index to focus solely on the green bond market of global companies.

This index is calculated by Bloomberg and is available on the Bloombergindices.com website via the link <https://www.bloomberg.com/professional/product/indices/bloomberg-barclays-indices-fact-sheets-publications/>.

As of the date of the last update of this prospectus, the administrator of the benchmark index is entered on the register of administrators and benchmark indexes maintained by the ESMA.



The investment objective of the sub-fund is to outperform its benchmark, the Bloomberg Barclays Green Bond Index: Corporate (not hedged and calculated in Euro coupons included), over the recommended investment period. The asset mix of this sub-fund may differ significantly from the composition of the benchmark index.

This UCITS is not an index-linked UCITS.

**Investment strategy**

**i. Description of strategies used:**

The Sub-Fund’s investment strategy consists of investing at least 90% of its net assets in bonds of which:

- at least 75% of the net assets invested in bonds targeting, as a priority, the financing of the ecological and energy transition, under “green bonds” as defined by the Green Bonds Principles according to the International Capital Market Association (ICMA). Green bonds are bonds intended to finance projects that have a positive impact on the environment. Green bonds will be issued by private issuers and public issuers (maximum 25% of net assets).

- maximum 25% of net assets in other bonds and other international debt securities.

Bonds (including participating securities, index-linked bonds, subordinated bonds of which a maximum of 20% of the net assets in contingent convertible bonds) and convertible bonds (up to a maximum of 10%):

- issued or guaranteed by a State and/or by international lending agencies;
- private issuers;
- of any maturity.

The yield curve and credit exposure allocation is done on a discretionary basis. This exposure depends on the Management Company’s expectations of interest rate trends and spreads between government securities and securities issued by private issuers.

In line with the overall strategy of the sub-fund, this asset segment of 25% is heavily invested in bonds of issuers that do not affect the environment. Beyond the exclusions of the Ottawa and Oslo Conventions on controversial weapons that apply to all French management companies, issuers that do not comply with a number of fundamental principles will be excluded: serious violations of human rights, serious violations of rights in conflict areas, serious environmental damage, and corruption. In addition, the selection of issuers will be in line with the investment principles relating to thermal coal in force within the investment lines of the Rothschild & Co Group.

The asset allocation strategy shall be carried out through direct investments (bonds) or synthetically through the use of derivatives (including rate futures, TRS, and CDS).

The portfolio of the R-co 4Change Green Bonds sub-fund is permanently exposed to fixed income securities denominated in currencies other than the euro and to fixed income securities denominated in euros.

Up to a maximum of 10% of the sub-fund's assets may be invested in securities and bonds issued by non-member States of the OECD and/or of issuers having their registered office in a non-OECD country.

Information about the geographical area of the issuers and the sensitivity range within which the sub-fund is managed is provided in the table below:

Interest rate sensitivity range within which the UCITS is managed	Currency of issue of the securities in which the UCITS is invested	Level of currency risk incurred by the UCITS	Geographical area (nationality) of the securities issuers	Range of exposure corresponding to this region
0 to 8	Us Dollar, Euro, Yen, Pound Sterling, Australian Dollar, Canadian Dollar, Danish Krone, Swedish Krone, Norwegian Krone, Swiss Franc	50%	Eurozone	0 - 100%
			Europe (outside eurozone)	0 - 100%
			Member countries of the OECD (outside Europe)	0 - 100%
			Non-OECD Countries	0 - 10%



The sub-fund will also have the option to invest up to 10% in high yield bonds, not investment grade, excluding CCC+, CCC and CCC- rated securities. Investments in non-rated securities can represent up to 10% of the sub-fund's assets.

The sub-fund may also invest in forward financial instruments traded on French and foreign regulated or over-the-counter markets (rate swaps, total return swaps, credit derivatives, particularly credit default swaps, forex forwards) in order to achieve its investment objective (management of the portfolio's sensitivity, credit and foreign exchange risk). To do this, it hedges its portfolio and/or exposes it to business sectors, interest rates, indexes, credit risk, and currency risk. These transactions shall be carried out within the maximum limit of 100% of the sub-fund's assets.

The percentage of the sub-fund's assets corresponding to the use of credit derivatives is between 0% and 100%.

The sub-fund may invest up to 10% of its net assets in shares or units of French and European UCIs, in compliance with legal and regulatory requirements, particularly in money market UCIs for cash management purposes as well as in diversification UCIs (particularly convertible bonds) in order to achieve the investment objective.

The equity risk associated with investment in convertible bonds shall not exceed 10% of the sub-fund's assets.

Exposure to foreign exchange risk is a maximum of 50%.

The portfolio's sensitivity falls within the range of 0 to 8 (including balance sheet assets and derivatives).

**Selection of underlying funds:**

○ **Selection of green bonds:**

The R-co Green Bonds sub-fund seeks to contribute to the financing of the energy and ecological transition by investing significantly (minimum 75% of net assets) in "green bonds" selected on the basis of compliance with the current market standard of the Green Bonds Principles (GBP) defined by the International Capital Market Association (ICMA).

The green bond selection process is carried out on the basis of ICMA's GBP and is based on its four main principles:

The use of funds

A process for selecting and evaluating projects

Fund management

Reporting

The selection process seeks to verify the existence of an eligible green project as well as the objectives of preserving the environment pursued. The green category associated with the project as well as the contribution to the defined environmental objectives are part of the evaluation.

The objectives of preserving the environment, the issuer's process of determining the membership of the green project to the eligible categories, as well as the criteria used to estimate the eligibility, exclusion or not, the management of environmental or social risks of certain aspects are assessed on the basis of regulatory documents.

In addition, the guarantee of a formal and internal process to the issuer relating to investment transactions (systems and methods for monitoring financing and allocations) in connection with its green projects is part of the selection criteria. In fact, a quality transparency framework associated with a process of control and certification by independent third parties is one of the important features to be taken into account.

Finally, the provision of regular, up-to-date and quality information on the proceeds of the green bond issue is also a key element of the transparency framework.

Through external data sources used by the management company in the implementation of the investment strategy of the R-co 4Change Green Bonds sub-fund, green bonds are selected on the basis of compliance with the current market standard of the Green Bonds Principles (GBP) defined by the International Capital Market Association (ICMA).



○ **For the fixed-income segment, the following four sources of added value are used by the management:**

- **Sensitivity:** The portfolio's sensitivity is increased if the manager anticipates a decline in interest rates and vice versa.

- **Credit risk exposure:** The management process for the UCITS combines the Top-Down and Bottom-Up approaches to identify two sources of added value:

- The sectoral and geographical allocation results from the analysis of the economic and financial environment. This analysis identifies the long-term risks and problems that influence the price formation. In particular, analyses of default histories and competition are examined.
- The selection of securities is based on a fundamental approach that involves two steps:
  - A quantitative analysis based on the probability of default:
    - by using a large amount of public data and statistics on each company,
    - by comparing these data to data of companies in the same economic sector,
    - by determining a theoretical valuation that compares favourably or unfavourably with the valuation given by the market.
  - A qualitative analysis based on:
    - sustainability of the sector,
    - examination of competition,
    - understanding of the balance sheet,
    - understanding of the construction of profitability (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.),
    - understanding of debt schedules (balance sheet and off-balance sheet),
    - determination of the probability of intra-sector survival.

- **Yield curve positioning:** Depending on the manager's expectations as to the flattening or steepening of the yield curve, securities with short and very long maturities shall be preferred to those with intermediate maturity or the reverse.

- **Optional strategies:** depending on the manager's expectations about changes in the volatility and prices of the underlying instruments, the manager will need to sell or buy options on fixed-income markets.

The management company does not exclusively or automatically use credit ratings issued by rating agencies but undertakes its own in-depth analysis to assess the credit quality of fixed-rate instruments.

**j. Description of the classes of assets (excluding embedded derivatives) and financial contracts used:**

- **Equities:** 0-10% of net assets.

The Sub-fund may hold equities for up to a maximum of 10% of its net assets following the exercise of a conversion option attached to convertible bonds or following the restructuring of an issuer's debt. Within the limit of the holding range, the sub-fund will invest in equity markets belonging to all industrial sectors and of all market capitalisation sizes (including a maximum of 10% in small caps). Small caps represent securities of issuers with a capitalisation of less than 1 billion euros, and mid-caps represent securities with a capitalisation of less than 8 billion euros.

- **Debt securities, money market instruments, and bonds:** 90-100% of net assets

Within the limit of the holding range specified below, the sub-fund will invest in green bonds that meet the GBP defined according to ICMA standards for 75% of its net assets at least, and for a maximum of 25% of its net assets in other bonds and international debt securities, including participating securities, index-linked bonds and convertible bonds (up to a maximum of 10%). The sub-fund can also invest up to 100% of its assets in callable and puttable bonds (including make-whole call bonds) and up to 100% of its assets in subordinated bonds, including up to a maximum of 20% in contingent convertible bonds.

The sub-fund will invest up to a maximum of 10% of its assets in money market instruments and short-term negotiable debt securities, of all fixed, variable or revisable maturities.

The distribution of private/public debt is not determined in advance and will be based on market opportunities, with public debt not exceeding 25% of net assets (on both asset segments). In any case, exposure to high yield debt will not exceed 10% and exclude CCC+, CCC and CCC- rated securities.

Investments in non-rated securities can represent up to 10% of the sub-fund's assets.

Similarly, the sub-fund's exposure to bonds of non-OECD countries shall not exceed 10% of its assets.



- **Holding of shares or units of other UCITs, AIFs, or investment funds governed by foreign law:** 0-10% of net assets  
 Within the holding range specified below, the sub-fund may hold:
  - units or shares of French or European UCITS funds governed by European directive 2009/65/EC,
  - units or shares of French or European AIFs,

The sub-fund may invest in units or shares of UCIs governed by French law covered by European Directive 2009/65/EC or not, managed (directly or by delegation) or advised by the Rothschild & Co group. These investments will be made in accordance with the classification of bonds and other international debt securities.

Exposure to foreign exchange risk is 50% of net assets.

**For each of the classes mentioned above:**

	Equities	Bonds and debt securities	Money market instruments	Units or shares of UCIs or investment funds
Holding ranges	10%	90% - 100%	10%	0 - 10%
Investment in financial instruments of non-OECD countries	0-10%	0-10%	0-10%	0-10%
Investment restrictions imposed by the management company	None	None	None	None

**k. Derivatives:**

The sub-fund may trade on regulated, organised, or OTC markets.

The manager shall trade on equity, interest rate, credit, index and currency risk. In order to achieve the investment objective, these interventions shall be done for portfolio hedging (sale of futures) and exposure to reconstitute a synthetic exposure to assets (purchase of futures). In particular, the manager may trade futures, options, swaps (Total Return Swaps and Credit Default Swaps up to 100% of the sub-fund's net assets) and forex forwards.

These transactions shall be carried out within the limit of 100% of the fund's assets.

The portfolio's overall equity market exposure, including exposure resulting from the use of derivatives, shall not exceed 10%.

The overall fixed-income market exposure, including exposure resulting from the use of derivatives, will allow the portfolio's sensitivity to remain within a range between 0 and 8.

The portfolio's overall currency market exposure, including exposure resulting from the use of derivatives, shall not exceed 50%.

**Credit derivatives:**

The credit allocation is determined at the discretion of the manager.

The credit derivatives used are baskets of CDS and CDS on a single issuer.

These credit derivatives are used for hedging purposes through the purchase of protection:

- in order to limit the risk of capital loss on certain issuers (present in the portfolio)
- in order to benefit from the anticipated deterioration of the credit quality of an issuer or a basket of issuers not present in the portfolio greater than that of an exposure present in the portfolio

and for exposure, through the sale of protection, to:

- the credit risk of an issuer
- the credit risk on baskets of CDS

As CDS could be used for credit risk exposure or hedging the portfolio's credit risk, the use of indexes to achieve this purpose could create transactions that, line by line, could be equated with arbitrage (hedging of the portfolio's overall credit risk by issuers, parent companies, subsidiaries or other entities not present in the portfolio).

The percentage of the sub-fund's assets corresponding to the use of credit derivatives is between 0% and 100%.

**Total Return Swap:**

In particular, up to a limit of 100% of its net assets, the sub-fund may use Total Return Swaps. The aim of these financial forwards is to trade on the performance of a security, a basket of securities, or an index.



Derivatives will be used primarily to:

- synthetically reconstruct the portfolio's exposure to the bond market;
- partially hedge the assets in the portfolio against interest rate and credit risk.

**Information related to counterparties of over-the-counter derivatives:**

Counterparties, which may or may not be a credit institution, shall be selected according to the procedure in force within the Rothschild & Co Group and on the basis of the principle of selectivity as part of an ad hoc internal process. The Management Company may regularly select the Depositary as its counterparty for OTC exchange derivatives.

In particular, this involves:

- a validation of the counterparties at the end of this internal selection process, which takes into account criteria such as the nature of the activities, expertise, reputation, etc.
- a limited number of financial institutions with which the UCITS trades.

These counterparties have no discretionary decision-making power over the composition or management of the investment portfolio of the UCI, the underlying asset of the derivatives, and/or the composition of the index as part of index swaps.

**I. Securities with embedded derivatives:**

In order to achieve the investment objective, the manager trades on interest rate, credit, and currency risks. These interventions shall be done for hedging or exposure. In particular, the manager may trade up to 5% in warrants, with a maximum of 10% of net assets invested in convertible bonds, a maximum of 20% in contingent convertibles, as well as in securities with simple embedded derivatives that present the same types of risks as the above-mentioned instruments. The sub-fund can also invest up to 100% of its assets in callable and putable bonds, including make-whole call bonds. The purpose of using these securities with embedded derivatives is to hedge or expose the portfolio to interest rate, credit, and currency risk, while maintaining a portfolio sensitivity range of between 0 and 8.

The portfolio's overall equity market exposure, including exposure resulting from the use of securities with embedded derivatives, shall not exceed 10%.

The overall fixed-income and credit market exposure, including exposure resulting from the use of securities with embedded derivatives, will allow the portfolio's sensitivity to remain within a range of between 0 and 8.

The overall currency market exposure, including exposure resulting from the use of securities with embedded derivatives, shall be 50% maximum.

**m. Deposits:**

Within a limit of 10% of its assets, the sub-fund may resort to deposits in euros with a life less than or equal to three months so as to earn returns on the sub-fund's cash.

**n. Cash loans:**

Within a limit of 10% of its assets, the sub-fund may resort to loans, particularly in order to compensate for deferred payment methods for asset movements.

**o. Securities financing transactions:** None

**p. Information about the financial collateral of the sub-fund:**

For transactions on OTC derivatives, the sub-fund may receive securities (such as bonds or securities issued or guaranteed by a State or issued by international lending agencies and bonds or securities issued by private issuers of good quality) or cash as collateral. There is no correlation policy insofar as the sub-fund will receive mainly government securities of the eurozone and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility, diversified issuers that are not an entity of the counterparty or its group.

Discounts may be applied to the collateral received; they shall take into account, in particular, the credit quality and the volatility of the prices of the securities. The valuation is performed at least on a daily basis.

Financial collateral received must be able to give rise to a full execution by the sub-fund at any time and without consultation or approval of the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.



Financial collateral received in cash must only be:

- placed in deposit accounts;
- invested in high-quality government bonds;
- invested in money market UCIs.

**Risk profile:**

*“Your money shall be invested primarily in financial instruments selected by the management company. These instruments will be subject to market fluctuations and uncertainties. “*

Investors are exposed through the sub-fund mainly to the following risks:

1. Risk associated with discretionary management: the discretionary management style is based on anticipating trends on the various markets. There is the risk that the sub-fund will not always be invested in the best-performing markets.
2. Risk of capital loss: unitholders have no capital guarantee.
3. Interest rate risk: risk of the sub-fund (constituted by the balance sheet and its off-balance sheet commitments) due to its sensitivity to eurozone yield curve movements (sensitivity range between 0 and 8 of the fixed-income segment). Thus, in periods of interest rate increases (positive sensitivity) or decreases (negative sensitivity), the sub-fund’s net asset value is likely to be impacted negatively.
4. Credit risk: risk of credit quality deterioration or default of an issuer present in the portfolio or default of a counterparty to an OTC transaction (swap). As such, in the event of positive credit risk exposure, an increase in credit spreads may cause a reduction in the sub-fund’s net asset value. Similarly, in the event of negative credit risk exposure, a decrease in credit spreads may cause a decline in the net asset value of the sub-fund. Nevertheless, exposure to “High Yield” rates shall not represent more than 10% of assets. Investments in non-rated securities may not represent more than 10% of the sub-fund’s assets.
5. Counterparty risk: the sub-fund may use over-the-counter derivatives. These transactions, entered into with a counterparty, expose the sub-fund to a risk of the counterparty’s default, which may cause the net asset value of the sub-fund to decline. Nevertheless, the counterparty risk may be limited by establishing guarantees granted to the sub-fund in accordance with the regulations in force.
6. Risk that the sub-fund’s performance will not be consistent with its objectives and that the sub-fund will not always be invested in the best-performing markets.
7. Currency risk: Shareholders may have a maximum currency risk exposure of 50%. Some of the assets are expressed in a currency other than the sub-fund’s accounting currency. Changes in exchange rates may therefore cause the sub-fund’s net asset value to decline.
8. Specific risk associated with the use of complex subordinated bonds (contingent convertible bonds, also known as “CoCos”): A debt is called subordinated when its repayment depends on the initial repayment of other creditors. As such, the subordinated creditor shall be repaid after the ordinary creditors, but before the shareholders. In consideration of this risk premium, the interest rate on this type of debt is higher than that of others. CoCos present specific risks associated with the possibility of cancellation or suspension of their coupon, total or partial reduction of their value, or their conversion into equities. These conditions may be triggered, in whole or in part, when the issuer’s level of equity falls below the trigger threshold of the contingent convertible bond. The occurrence of any of these risks may result in a reduction in the sub-fund’s net asset value.
9. Ancillary risks:
  - a. Equity risk: risk of a decline in the portfolio’s net asset value because of the equity market’s deterioration. This risk is limited to a maximum of 10% for this sub-fund.
  - b. Risk associated with exposure to non-OECD countries: up to a 10% maximum; the manner in which these markets operate and are supervised may differ from the standards that prevail in the major international markets.

**Guarantee or protection**: none.

**Eligible subscribers and typical investor profile**: All subscribers (see summary table of share characteristics).

With regard to the profile of the typical investor, this sub-fund is intended particularly for investors seeking a positive impact on the environment and contributing to the ecological transition through exposure to green bonds.



The amount that can be reasonably invested in this sub-fund depends on each unitholder's personal situation. To determine this amount, unitholders must consider their personal wealth, their current needs, and their needs over the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment. Investors are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this sub-fund.

**Recommended investment period:** more than 3 years

**Determination and allocation of amounts available for distribution:**

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the sub-fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

- 1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;
- 2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be accumulated and/or paid out and/or retained, independently of each other, in whole or in part.

Amounts available for distribution must be paid within a maximum period of five months from the year-end.

- C EUR, IC EUR and P EUR shares: accumulation shares.
- D EUR, ID EUR and PB EUR shares: distribution shares, full distribution of the net income as defined in 1) above, concerning the capital gains or losses defined in 2) above, the management company may distribute them (totally or partially) and/or carry them forward (totally or partially).

**For accumulation shares:** amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory payout by law.

**For distribution shares:** full payout of net income as defined in 1) above, concerning the capital gains or losses defined in 2) above, the management company may, each year, accumulate them (totally or partially) and/or pay them out (totally or partially) and/or retain them (totally or partially).

**Frequency of payout:**

- C EUR, IC EUR and P EUR shares: amounts available for distribution are fully accumulated.
- D EUR, ID EUR and PB EUR shares: Annual on the decision of the Annual General Meeting with the possibility of an interim distribution on the decision of the Board of Directors.

**Share characteristics:**

Share class	ISIN code	Allocation of amounts available for distribution	Currency of issue	Target subscribers	Minimum initial subscription amount <sup>1 2</sup>
C EUR	FR0013513132	Accumulation	EUR	All subscribers	2,500 euros
D EUR	FR0013513124	Income	EUR	All subscribers	2,500 euros
IC EUR	FR0013513140	Accumulation	EUR	All subscribers but specifically reserved for institutional investors	5,000,000 euros
ID EUR	FR0013513157	Income	EUR	All subscribers but specifically reserved for institutional investors	5,000,000 euros
P EUR	FR0013513165	Accumulation	EUR	See below*	5,000 euros



					or 500,000 euros for institutional investors
PB EUR	FR0013513173	Income	EUR	See below*	5,000 euros or 500,000 euros for institutional investors

<sup>1</sup>The management company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

<sup>2</sup>Subsequent subscriptions may be done in shares or fractions of shares, where applicable.

\* Subscription for these shares is reserved for:

1) investors subscribing through distributors or intermediaries:

- subject to national laws prohibiting all retrocessions to distributors (for example, Great Britain and the Netherlands),

or

- providing
  - an independent advisory service within the meaning of the European MiFID 2 regulation
  - an individual discretionary portfolio management service

2) institutional investors whose minimum initial subscription amount is 500,000 euros for the P EUR and PB EUR shares.

The sub-fund has six share classes: C EUR, D EUR, IC EUR, ID EUR, P EUR and PB EUR shares. These six classes differ particularly from the point of view of their schemes for allocation of amounts available for distribution, their management fees and subscription/redemption fees, their par value, and the distribution network(s) for which they are intended.

In addition, for each share class, the Management Company reserves the right to not activate it and therefore to delay its commercial launch.

### **Subscription and redemption:**

Subscription and redemption requests are received and centralised each day at twelve (12) pm at Rothschild Martin Maurel and executed on the basis of the next net asset value (D) (price unknown). Settlements relating to subscriptions and redemptions occur on the second business day following (D+2).

Any shareholder may request the conversion of shares of one sub-fund or share class into another sub-fund or share class. A shareholder making such a request must comply with the redemption and subscription conditions relating to the quality of investors and with the minimum investment thresholds applicable to each of the sub-funds and/or share classes concerned.

Orders are executed in accordance with the table below:

D business day	D business day	D: day of NAV calculation	D+1 business day	D+2 business days	D+2 business days
Centralisation of subscription orders before 12 pm <sup>1</sup>	Centralisation of redemption orders before 12 pm <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

### **Condition for trades of shares, subject to eligibility:**

Exchange requests are received each valuation day and executed according to the procedures indicated above. Any fractional units are either settled in cash or supplemented with an additional share for the subscription, exempt from any subscription fee.



Any exchange of a share class of the sub-fund for another share class is considered a disposal followed by a redemption followed by a subscription and is therefore subject to the tax system applicable to capital gains or losses on disposals of securities.

Receipt of subscriptions and redemptions: Rothschild Martin Maurel – 29, avenue de Messine - 75008 PARIS.

**Determination of net asset value:**

The net asset value is calculated each day when the Paris stock exchange is open, with the exception of French public holidays.

The net asset value is published on the management company's website at the following address:  
[am.eu.rothschildandco.com](http://am.eu.rothschildandco.com).

**Net asset value adjustment method associated with swing pricing with a trigger threshold:**

If, on a NAV calculation day, the total of net subscription/redemption orders from investors across all share classes of the sub-fund exceeds a threshold pre-established by the management company and determined on the basis of objective criteria as a percentage of the sub-fund's net assets, the NAV can be adjusted upwards or downwards in order to take into account the adjustment costs attributable to the net subscription/redemption orders respectively. The NAV of each share class is calculated separately, but any adjustment has, in percentage terms, an identical impact across all NAVs of the sub-fund's share classes.

The cost and trigger threshold parameters are determined by the management company and reviewed periodically, at least every six (6) months. These costs are estimated by the management company on the basis of transaction costs, buy/sell spreads, as well as any taxes applicable to the sub-fund.

Given that this adjustment is related to the net balance of subscriptions/redemptions within the sub-fund, it is not possible to accurately predict whether swing pricing will be applied at a given time in the future. Therefore, it is not possible to accurately predict the frequency at which the management company will need to make such adjustments, which may not exceed 1.50% of the NAV. Investors are informed that the volatility of the sub-fund's NAV may not reflect only that of the securities held in the portfolio because of the application of swing pricing.

➤ **Charges and fees:**

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or reduce the redemption price received. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund in investing or divesting the entrusted assets. Any fees not retained by the UCITS are paid to the management company, marketer, distributor, etc.

<b>Fees charged to the investor, deducted at the time of subscriptions and redemptions</b>	<b>Base</b>	<b>Rate Scale</b>
Subscription fee not retained by the sub-fund	Net asset value X number of shares	C EUR, D EUR, IC EUR, ID EUR, P EUR and PB EUR shares: 2% maximum
Subscription fee retained by the sub-fund	Net asset value X number of shares	None
Redemption fee not retained by the sub-fund	Net asset value X number of shares	None
Redemption fee retained by the sub-fund	Net asset value X number of shares	None

Exemption: if the redemption order is immediately followed by a subscription, on the same day, on the same share class, and for the same amount on the basis of the same net asset value, no subscription or redemption fees shall be charged.



**OPERATING EXPENSES AND MANAGEMENT FEES:**

These charges cover all costs billed directly to the sub-fund, with the exception of transaction costs. Transaction costs include intermediation charges (brokerage, etc.) and turnover fees, where applicable, which may in particular be collected by the custodian and the management company.

The following may be added to the operating and management fees:

- performance fees. These remunerate the Management Company for achieving performance in excess of the sub-fund's objectives. They are therefore billed to the UCITS;
- activity fees charged to the sub-fund.

For more information on the charges actually billed to the sub-fund, refer to the Key Investor Information Document (KIID).

	<b>Fees charged to the UCITS</b>	<b>Base</b>	<b>Rate Scale</b>
1	Financial management fees	Net assets	C EUR and D EUR shares: 0.70% maximum IC EUR and ID EUR shares: 0.35% maximum P EUR and PB EUR shares: 0.45% maximum
2	Administrative fees external to the management company		
3	<u>Maximum indirect fees:</u> <u>a- management fees:</u> <u>b- commissions:</u> - subscription: - redemption:	Net assets	Not Applicable
4	<u>Service providers collecting transaction fees:</u> <u>Depository:</u> between 0% and 50% <u>Management Company:</u> between 50% and 100%	Deduction from each transaction	0.03% on French and foreign bonds 0.30% on French shares 0.40% on foreign shares EUR 30 per unit for options and forward contracts EUR 100 per transaction on other derivatives
5	Performance fee	Net assets	None

The management company does not receive any soft commission.

Research-related expenses within the meaning of Article 314-21 of the AMF's General Regulation can be charged to the sub-fund.

For any additional information, please refer to the sub-fund's annual report.

**Financial intermediary selection procedure:**

Rothschild & Co Asset Management Europe takes meticulous care in choosing its intermediaries. They are selected on the basis of the quality of their research, but also their speed and reliability in the execution and processing of orders. We therefore choose those we consider to be the best following a rigorous, regular process.



#### **IV. Commercial information**

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Modifications requiring a special notification to shareholders shall be disseminated to each identified shareholder or through Euroclear France for unidentified shareholders in the form of an information notice.

Modifications not requiring a special notification to shareholders shall be communicated either in the SICAV's interim documents, available from the Custodian, through the press, through the Management Company's website ([www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)), or by any other means in accordance with the regulations of the French financial markets authority.

Repurchase or redemption of shares is carried out via Rothschild Martin Maurel.

Information on how social, environmental, and governance criteria are taken into account in the investment policy is available on the Management Company's website at [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com) and in the annual report of the SICAV.

The portfolio's composition may be sent to professional investors subject to supervision of the ACPR, the AMF, or equivalent European authorities, or to their service providers, with a confidentiality commitment, in order to meet their regulatory requirements related to Directive 2009/138/EC (Solvency 2).

It will be sent in accordance with the provisions defined by the AMF with a period of no less than 48 hours after publication of the net asset value.

For any additional information, shareholders may contact the Management Company.

#### **V. US investor information**

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The shares of this SICAV are not and will not be registered in the United States pursuant to the US Securities Act of 1933 as amended ("Securities Act of 1933") or admitted under any law of the United States. These shares may not be offered, sold, or transferred in or to the United States (including its territories and possessions) or benefit, directly or indirectly, any US Person (within the meaning of Regulation S of the Securities Act of 1933) or equivalent (as referred to in the US "HIRE" Act of 18 March 2010 and in the FATCA framework).

As a foreign financial institution, the SICAV undertakes to comply with FATCA and to take any measure within the scope of the aforementioned intergovernmental agreement.

#### **VI. Investment rules**

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This SICAV shall comply with the regulatory ratios applicable to UCITS funds investing less than 10% in UCIs funds.

#### **VII. Overall risk**

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Sub-fund No. 1: R-co VALOR BALANCED: The method used by the management company to calculate the overall risk ratio is the relative risk value method as defined by the AMF's General Regulation (art. 411-77 et s.).

Sub-fund No. 2: R-CO THEMATIC REAL ESTATE: Overall risk associated with financial contracts is calculated using the commitment method.

Sub-fund No. 3: R-CO THEMATIC GOLD MINING: Overall risk associated with financial contracts is calculated using the commitment method.

Sub-fund No. 4: R-CO THEMATIC SILVER PLUS: Overall risk associated with financial contracts is calculated using the commitment method.

Sub-fund No. 5: RMM STRATEGIE MODEREE: The method used by the management company to calculate the overall risk ratio is the relative risk value method as defined by the AMF's General Regulation (art. 411-77 et s.).

Sub-fund No. 6: RMM STRATEGIE DIVERSIFIEE: The method used by the management company to calculate the overall risk ratio is the relative risk value method as defined by the AMF's General Regulation (art. 411-77 et s.).



Sub-fund No. 7: RMM STRATEGIE DYNAMIQUE: The method used by the management company to calculate the overall risk ratio is the relative risk value method as defined by the AMF's General Regulation (art. 411-77 et s.).

Sub-fund No. 8: R-CO VALOR BOND OPPORTUNITIES: The method used by the management company to calculate the overall risk ratio is the absolute risk value method as defined by the AMF's General Regulation (art. 411-77 et s.). Estimated leverage: 300%

Sub-fund No. 9: R-CO CONVICTION CREDIT EURO: The method used by the management company to calculate the overall risk ratio is the relative risk value method as defined by the AMF's General Regulation (art. 411-77 et s.).

Sub-fund No. 10: R-CO CONVICTION CREDIT SD EURO: The method used by the management company to calculate the overall risk ratio is the relative risk value method as defined by the AMF's General Regulation (art. 411-77 et s.).

Sub-fund No. 11: R-CO ALIZES: Overall risk associated with financial contracts is calculated using the commitment method.

Sub-fund No. 12: R-CO CONVICTION CLUB: Overall risk associated with financial contracts is calculated using the commitment method.

Sub-fund No. 13: R-CO CONVICTION EQUITY VALUE EURO: Overall risk associated with financial contracts is calculated using the commitment method.

Sub-fund No. 14: RMM ACTIONS USA: Overall risk associated with financial contracts is calculated using the commitment method.

Sub-fund No. 15: R-co CONVICTION EQUITY MULTI CAPS EURO: Overall risk associated with financial contracts is calculated using the commitment method.

Sub-fund No. 16: R-CO 4CHANGE GREEN BONDS: The method used by the management company to calculate the overall risk ratio is the relative risk value method as defined by the AMF's General Regulation (art. 411-77 et s.).

### **VIII. Asset valuation and accounting rules at the approval date**

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The SICAV has adopted the euro as the reference currency of each of its sub-funds.

The prices used for the valuation of securities traded on the stock exchange are the closing prices.

The prices of the derivatives markets are the settlement prices.

Interest is recognised according to the cash-basis method.

UCITS are valued at the last known price.

Treasury bills are valued at the market rate.

Negotiable debt securities with a residual life of more than three months are valued at the market rate, with the exception of variable-rate or adjustable-rate negotiable debt securities not presenting any particular market sensitivity.

A simplified "linearisation" method is applied for negotiable debt securities with a remaining life of less than three months not presenting any particular market sensitivity, on the basis of the crystallised three-month rate.

Repurchase agreements and sales with an option to repurchase are valued at the contract price.

The financial collateral is valued at market price (marked-to-market) on a daily basis, in compliance with the valuation rules described above.

The prices used for the valuation of OATs (fungible government bonds) are an average of contributors.



Currency futures are valued at the daily fixing price, plus a variable premium/discount depending on the maturity and currencies of the contract.

Credit default swaps (CDS) are valued as follows:

-for the leg representative of the premium: pro rata temporis value of this premium

-for the leg representative of the credit risk: according to the market price

Entries into the portfolio are recognised at their acquisition price, excluding costs.

## **IX. Remuneration**

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In compliance with Directive 2009/65/EC, Rothschild & Co Asset Management Europe, as the delegated financial manager of the SICAV, has drawn up and applies remuneration policies and practices compatible with sound and efficient risk management and that do not encourage risk taking incompatible with the SICAV's risk profiles and regulatory documents and that do not harm the obligation to act in the best of its interests.

The remuneration policy complies with the economic strategy, objectives, values and interests of the SICAV and investors and includes measures aimed at avoiding conflicts of interest.

In addition, as management company for alternative investment funds and UCITS, Rothschild & Co Asset Management Europe also applies AIFM and UCITS directives.

The Regulated Population in terms of the AIFM and UCITS directives includes the following functions:

- General Management (excluding Partner Managers)
- Managers of AIF or UCITS
- Development and Marketing managers
- Internal Control Compliance Director
- Risk functions (operating, market, etc.)
- Administrative managers
- Any other employee that has a material impact on the company's risk profile or the AIF/UCITS managed and whose overall remuneration is situated in the same remuneration tranche as other risk takers.

The remuneration policies and practices of Rothschild & Co Asset Management Europe apply to all staff members, with specific rules on deferred variable remuneration applicable to the Regulated Population, in line with the AIFM and UCITS regulations.

Details concerning the Rothschild & Co Asset Management Europe remuneration policy are available at [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

A printed version of the Rothschild & Co Asset Management Europe remuneration policy can be made available free of charge to investors in the SICAV on request at the registered office of the SICAV.



**R-co**  
Open-ended investment fund (SICAV)  
29, avenue de Messine – 75008 Paris  
Trade and companies register: 844 443 390 R.C.S. Paris

## ARTICLES OF ASSOCIATION

### TITLE 1 – FORM, PURPOSE, NAME, REGISTERED OFFICE, AND DURATION OF THE COMPANY

#### Article 1 – Form

The holders of shares hereinafter created and shares subsequently created hereby form an open-ended investment fund (SICAV) governed particularly by the provisions of the French commercial code relating to public limited companies (Book II – Title II – Chapter V), the French monetary and financial code (Book II – Title I – Chapter IV – Section I – Sub-section I), their implementing texts, subsequent texts, and by these articles of association.

In accordance with Article L. 214-5 of the French monetary and financial code, the SICAV has sub-funds (“Sub-Funds”). Each sub-fund gives rise to the issue of one or more share classes representative of the assets of the SICAV allocated to it.

#### Article 2 – Purpose

The purpose of this company is to set up and manage a portfolio of financial instruments and deposits known as “sub-funds” having different, specific management strategies as specified in the Prospectus.

#### Article 3 – Name

The company is an open-ended investment fund (SICAV) named “**R-co**” immediately preceded or followed by the words “Société d’investissement à capital variable” or the term “SICAV”, as the case may be.

#### Article 4 – Registered office

The registered office is located in Paris (75008) at 29, avenue de Messine.

#### Article 5 – Duration

The duration of the company is 99 years from the date of its entry in the Trade and Companies Register, except in cases of early dissolution or extension provided for in these articles of association.

### TITLE 2 – CAPITAL, VARIATIONS OF CAPITAL, AND CHARACTERISTICS OF THE SHARES

#### Article 6 – Share capital

The minimum share capital of the SICAV is 300,000 euros.

The initial capital of the SICAV is 300,100 euros divided into 3,001 fully paid-up C EUR shares. It was constituted by 300,100 euros in cash.



Share classes:

The characteristics of the various share classes and their access conditions are set out in the SICAV's prospectus.

The different share classes may:

- Have different arrangements for distributing income (paid out or accumulated);
- Be denominated in different currencies;
- Be subject to different management fees;
- Be subject to different subscription and redemption fees;
- Have a different nominal value;
- Be systematically hedged against risk, either partially or in full, as set out in the prospectus. This hedging process is performed using financial instruments that reduce the impact of the hedging transactions for the other unit classes of the UCITS to a minimum;
- Be reserved for one or more distribution networks.

Possibility of grouping or division of shares by decision of the EGM.

Shares may be subdivided on decision of the board of directors into tenths, hundredths, thousandths, or ten-thousandths, referred to as fractional shares.

The provisions of the articles of association governing the issue and redemption of shares shall also apply to fractional shares, whose value shall always be proportionate to that of the share that they represent. Unless otherwise stated, all other provisions of the articles of association relating to units shall apply to fractional shares without any need to make a specific provision.

#### **Article 7 – Variations of capital**

The amount of the capital is likely to change, resulting from the company's issue of new shares and decreases following the redemption of shares by the company for shareholders who so request.

#### **Article 8 – Issues and redemptions of shares**

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

Redemptions and subscriptions are performed under the conditions and according to the procedures specified in the prospectus.

Redemptions can be made in cash and/or in kind. If the redemption in kind corresponds to a representative share of assets in the portfolio, then only the written signed agreement of the shareholder must be obtained by the SICAV or the management company. If the redemption in kind does not correspond to a representative share of assets in the portfolio, all shareholders must give their written approval authorising the redemption of the outgoing shareholder's shares against certain specific assets, as defined explicitly in the agreement.

In derogation from the above, when the fund is an ETF, redemptions on the primary market can, with the agreement of the portfolio's management company and in respect of the interests of shareholders, be made in kind according to the conditions defined in the prospectus or the fund's rules. The assets will then be delivered by the issuer account holder under the conditions defined in the SICAV's prospectus.

In general, the assets redeemed are valued according to the rules set out in Article 9, and the redemption in kind takes effect based on the first net asset valuation following the acceptance of the securities concerned.

Any subscription of new shares must be fully paid up. Otherwise, the subscription shall be nullified. Issued shares shall have the same rights as the shares existing on the day of the issue.

Pursuant to Article L. 214-7-4 of the French financial and monetary code, the redemption of its shares by the company, as for the issue of new shares, may be suspended on a temporary basis by the board of directors or executive board when the circumstances so require and if the interests of the shareholders so dictate.

If the net assets of the SICAV (or, where applicable, a sub-fund) fall below the minimum regulatory requirement, no redemption of shares may be done.



Units may be subject to minimum subscription conditions, pursuant to the terms specified in the prospectus.

The SICAV may cease to issue shares pursuant to the third paragraph of Article L. 214-7-4 of the French monetary and financial code, provisionally or definitively, in part or in full, in situations that objectively require the closure of subscriptions, such as when the maximum number of shares has been issued, a maximum amount of assets has been reached, or a specific subscription period has expired. The triggering of this tool will be the object of information by any means to existing shareholders relative to its activation as well as to the threshold and the objective situation having led to the partial or full closure decision. In the event of a part closure, this information by all means will explicitly point out the terms under which existing shareholders can continue to subscribe throughout the duration of this partial closure. Shareholders are also informed by all means of the decision by the SICAV or the management company either to end the full or part closure of subscriptions (after a fall below the trigger threshold) or not to end it (if the threshold is changed or the objective situation that led to the tool being implemented changes). A change in the objective situation invoked or in the trigger threshold for the tool should always be undertaken in the interests of shareholders.

The information by all means points out the exact reasons for these changes.

#### **Article 9 – Calculation of net asset value**

The net asset value of the share is calculated in accordance with the valuation rules specified in the prospectus. In addition, an indicative instantaneous net asset value shall be calculated by the investment firm in case of admission to trading.

Contributions in kind may only consist of the securities, instruments, or contracts eligible to form part of the UCITS's assets; Contributions and redemptions in kind are valued in accordance with the valuation rules applicable to the calculation of the net asset value.

#### **Article 10 - Form of shares**

The shares may be in bearer form or registered form, at the choice of the subscribers. Pursuant to Article L. 211-4 of the French monetary and financial code, the securities must be recorded in accounts, kept depending on the case by the issuer or an authorised intermediary.

The rights of holders shall be represented by an entry in an account in their name:

- with the intermediary of their choice for bearer securities;
- with the issuer and, if they wish, with the intermediary of their choice for registered securities.

The company may, at its own expense, request the name, nationality and address of the SICAV's shareholders, together with the quantity of securities held by each of them in accordance with Article L. 211-5 of the French monetary and financial code.

#### **Article 11 – Admission to trading on a regulated market and/or a multilateral trading facility**

Shares may be listed for trading on a regulated market and/or a multilateral trading facility in compliance with applicable laws and regulations. In the event that the SICAV whose shares are admitted to trading on a regulated market has an investment objective based on an index, it must have put in place a mechanism to ensure that the price of its share does not deviate significantly from its net asset value.

#### **Article 12 – Rights and obligations attached to shares**

Each share entitles the holder to ownership of the corporate assets and an interest in the profits proportional to the fraction of the capital that it represents.

The rights and obligations attached to the share shall follow the security in any change of ownership.

Each time it is necessary to own several shares in order to exercise any right whatsoever, and especially in the case of an exchange or regrouping, the owners of isolated shares, or with a lower number than that required, may only exercise these rights on condition that they make the grouping a personal affair, and eventually the purchase or sale of the necessary shares.



### **Article 13 – Indivisibility of shares**

All joint holders of a share or the beneficiaries are required to be represented with the Company by a single person appointed mutually by them or, failing that, by the president of the commercial court with jurisdiction over the location of the registered office.

If a fractioning of shares has been chosen (Article 6):

Owners of fractions of shares may group together. In this case, they must be represented under the terms set out in the previous line, by a single and same person, who will exercise for each group, the rights attached to ownership of one whole share.

Possibility of specifying the allocation of voting rights at meetings, between beneficial owner and bare owner, or leave this choice to the discretion of the interested parties, who shall be responsible for notifying the company.

## **TITLE 3 – ADMINISTRATION AND MANAGEMENT OF THE COMPANY**

### **Article 14 – Administration**

The company shall be administered by a board of directors of no fewer than three and no more than eighteen members appointed by the general meeting.

During the life of the company, the directors shall be appointed or renewed in their functions by the ordinary general meeting of shareholders.

Directors may be natural persons or legal entities. Upon their appointment, such legal entities must appoint a permanent representative who shall be subject to the same conditions and obligations and who shall incur the same civil and criminal liabilities as if he or she were a member of the board of directors in his or her own name, without prejudice to the liability of the legal entity represented.

This mandate as permanent representative is given to him or her for the duration of the mandate of the legal entity represented. If the legal entity revokes the mandate of its representative, it shall be required to notify the SICAV immediately by registered letter of this revocation as well as the identity of its new permanent representative. The same is true in case of death, resignation, or extended incapacity of the permanent representative.

### **Article 15 – Term of office of directors – Renewal of the Board**

Subject to the provisions of the last paragraph of this article, the duration of the functions of the directors is three years for the initial directors and six years at most for subsequent directors, each year referring to the interval between two consecutive annual general meetings.

If one or more director seats become vacant between two general meetings, as a result of death or resignation, the board of directors may make temporary appointments.

The director temporarily appointed by the board to replace another shall remain in office only for the remaining time of the term of his or her predecessor. His or her appointment shall be subject to ratification by the next general meeting.

Any outgoing director may be re-elected. They may be dismissed at any time by the ordinary general meeting.

The functions of each member of the board of directors shall end at the conclusion of the ordinary general meeting of shareholders having ruled on the accounts of the preceding financial year and held in the year in which his or her term expires, with the understanding that, if the meeting is not held during this year, said functions of the member in question shall end on 31 December of the same year, all subject to the exceptions below.

Any director may be appointed for a period of less than six years when this is necessary in order to ensure that the renewal of the board remains as regular as possible and complete in each period of six years. This shall be the case particularly if the number of directors is increased or decreased and the lawfulness of the renewal is affected.

When the number of members of the board of directors falls below the statutory minimum, the remaining member(s) must immediately convene the ordinary general meeting of shareholders in order to make appointments to ensure that the board has an appropriate number of members.

The number of directors who have exceeded the age of 70 years may not be more than one third of the directors in office. If this limit is exceeded, the oldest board member is considered as resigning from their position.

The board of directors may be renewed in part.

In the event of resignation or death of a director and when the number of directors remaining in office is greater than or equal to the minimum required by the articles of association, the board may, on a provisional basis and for the remainder of the term, provide for his or her replacement.



## **Article 16 – Executive Committee**

The board shall elect from among its members, for the duration that it determines but not exceeding the duration of the director's term, a chairman who must be a natural person.

The chairman of the board of directors organises and manages the works of the board and presents these at the general meeting. The chairman shall ensure that the bodies of the company function properly and, in particular, that the directors are able to fulfil their duties.

If it deems it useful, the board of directors shall also appoint a vice-chairman and may also choose a secretary, even from outside of the board of directors.

In the event of a temporary absence or the death of the chairman, the board will designate a session chairman chosen among the vice-chairmen or by default among the board members.

## **Article 17 – Meetings and deliberations of the Board**

Meetings of the board of directors are called by its chairman as often as required by the company's interests, either at the registered office or at any other location indicated in the notice of meeting.

If the board has not met for more than two months, at least one third of its members may ask the chairman to convene a meeting for a specific agenda. The managing director may also ask the chairman to convene the board of directors on a specific agenda. The chairman shall be bound by these requests.

Internal regulations may define, in accordance with the legal and regulatory provisions, the conditions for organising meetings of the board of directors, which may take place by videoconference, to the exclusion of the adoption of decisions expressly prohibited by Article L. 225-47 of the French commercial code (appointment of the chairman of the board of directors), Article L. 225-53 (appointment of the chief executive officer and deputy chief executive officers), Article L. 225-55 (dismissal of the chief executive officer and deputy chief executive officers), and Article L. 232-1 (closing of accounts). Convening notices for the board meeting to approve the annual accounts shall be sent by post to each of the board members. For all other committee meetings, a verbal invitation is allowed.

The presence of at least half of the members shall be required for valid deliberations. Decisions shall be taken by a majority of the members present or represented.

Each director shall have one vote. In the event of a tie vote, the Chairman of the meeting shall have the casting vote.

If a videoconference is allowed, in compliance with prevailing regulations, the internal rules may stipulate that board members taking part in the board meeting via video are considered to be present for quorum and majority calculations.

## **Article 18 – Minutes**

Minutes shall be kept, and copies or extracts of the deliberations shall be issued and certified in accordance with the law.

## **Article 19 – Authority of the board of directors**

The board of directors shall set the company's business strategy and oversee its implementation. Within the limit of the corporate purpose and subject to the powers expressly conferred to shareholders' meetings by law, it shall consider any matter involving the proper operation of the company and rule on matters that concern it through its deliberations.

The board of directors shall carry out the checks and verifications that it deems appropriate. The Company's chairman or managing director shall be required to communicate all documents and information necessary to each board member for carrying out his/her duties.

Any board member may grant power of attorney to another board member to represent him/her at a meeting of the board of directors. Each board member may, during the same meeting, have only one of the proxies received. These provisions are applicable to the permanent representative of a legal entity standing as board member.

## **Article 20 – General management**

The company's general management shall be assumed, under its responsibility, either by the chairman of the board of directors or by another natural person appointed by the board of directors and bearing the title of chief executive officer.



The choice between the two methods of general management shall be made under the conditions established in these articles of association by the board of directors for a term ending upon the expiry of the functions of chairman of the board of directors in office. Shareholders and third parties shall be informed of this choice pursuant to the legal and regulatory provisions in force.

Depending on the choice made by the board of directors in accordance with the provisions set out hereinabove, the chairman or a managing director shall ensure the general management.

If the board of directors chooses to separate the functions of chairman and managing director, it shall appoint the managing director and set the duration of his or her term of office.

If the Company's general management is handled by the chairman of the board of directors, the following provisions relating to the managing director shall be applicable to him/her.

Subject to the powers that the law expressly allocates to shareholders' meetings as well as the powers that it reserves specially for the board of directors, and within the limit of the corporate purpose, the managing director shall be vested with the broadest powers to act in the name of the company in all circumstances. The managing director's powers shall be exercised within the limits of the corporate purpose and subject to those that the law expressly grants to shareholders' meetings and the board of directors. He/she shall represent the Company in its relations with third parties.

The managing director may grant all partial delegations of his or her powers to any person of his or her choice.

The managing director may be dismissed at any time by the board of directors.

Upon the recommendation of the managing director, the board of directors may appoint up to five natural persons to assist the managing director, who shall have the title of deputy managing director.

The deputy managing directors may be dismissed at any time by the board on the proposal of the managing director.

In agreement with the managing director, the board of directors shall determine the extent and duration of the powers delegated to the deputy managing directors.

These powers may include the ability to make partial delegations. In the event of cessation of functions or incapacity of the managing director, they shall maintain their functions and powers until the appointment of the new managing director, unless the board decides otherwise.

The deputy managing directors shall have the same powers as the managing director as regards third parties.

For the performance of his or her functions, the managing director or the deputy managing director must be under the age of 95 years. Any managing director or deputy managing director who has reached the age of 95 shall continue to perform his/her duties until the ordinary general meeting ruling on the accounts for the financial year during which he/she reaches the age limit.

#### **Article 21 – Allowances and remuneration of the board**

The remuneration of the chairman of the board of directors and that of the managing director or directors shall be set by the board of directors; it may be fixed or both fixed and proportional.

An annual fixed remuneration may be assigned to the board of directors in the form of directors' fees, the amount of which is determined by the annual general meeting and maintained until otherwise decided by said meeting.

The board of directors shall divide this remuneration among its members as it sees fit.

#### **Article 22 – Depositary**

The depositary shall be appointed by the board of directors.

The depositary shall perform the duties for which it is responsible in accordance with the legal and regulatory provisions in force and those contractually entrusted to it by the SICAV or the management company. It must, in particular, ensure that the management company's decisions are lawful. Where applicable, the depositary must take any protective measures that it deems useful. It shall inform the French regulator, *Autorité des Marchés Financiers* (AMF), in the event of a dispute with the management company.



## **Article 23 – Prospectus**

The board of directors, or the management company if the SICAV has delegated its overall management, shall have all powers to possibly make all changes to ensure the proper management of the company, all within the framework of the legal and regulatory provisions specific to SICAVs.

## **TITLE 4 – STATUTORY AUDITOR**

### **Article 24 – Appointment – Powers – Remuneration**

The statutory auditor shall be appointed for six financial years by the board of directors after approval by the AMF from among persons authorised to carry out this function for commercial companies.

The statutory auditor shall certify that the accounts are true and fair.

The statutory auditor may be reappointed to office.

The statutory auditor shall inform the AMF as soon as possible of any event or decision concerning the UCITS of which the statutory auditor has become aware in the course of the work that may:

1° Constitute an infringement of applicable laws or regulations and which may have a significant effect on the Fund's financial situation, earnings, or assets;

2° Adversely affect the conditions or the continuity of its operations;

3° Result in the statutory auditor expressing a qualified opinion or refusing to certify the accounts.

Asset valuations and the determination of exchange rates used in currency conversions, mergers, or spin-offs shall be audited by the statutory auditor.

The statutory auditor assesses all contributions or redemptions in kind under its responsibility, except under the framework of redemptions in kind for an ETF on the primary market.

The statutory auditor shall certify the composition of the assets and other information before it is reported.

The statutory auditor's fees shall be set by mutual agreement between the statutory auditor and the SICAV's board of directors or executive board on the basis of a work schedule specifying the procedures deemed to be necessary.

The statutory auditor shall certify the circumstances underlying any interim distributions.

## **TITLE 5 – GENERAL MEETINGS**

### **Article 25 – General meetings**

General meetings shall be convened and shall deliberate under the conditions provided for by law.

The annual general meeting, which must approve the Company's accounts, must be convened within four months of the financial year-end.

General meetings shall be held at the corporate registered office or at any other location defined in the notice convening the meeting.

Any shareholder may participate, personally or through a proxy, in the general meetings subject to proof of identity and ownership of shares, in the form of either an entry in the registered security accounts maintained by the company or an entry in the bearer security accounts, at the locations mentioned in the notice of meeting; these formalities must be completed two days before the date of the general meeting.

A shareholder may be represented in accordance with the provisions of Article L. 225-106 of the French commercial code.

A shareholder may also vote by correspondence under the conditions provided for by the regulations in force.

General meetings shall be chaired by the chairman of the board of directors or, in his or her absence, by a vice-chairman or by a director appointed for this purpose by the board. Failing this, the general meeting itself shall elect its chairman.

Minutes of the general meeting shall be prepared, and their copies shall be certified and issued in accordance with the law.

## **TITLE 6 – ANNUAL FINANCIAL STATEMENTS**

### **Article 26 – Financial year**

The financial year shall begin on the day after the last trading day in Paris in December and end on the last trading day in Paris of the same month of the following year.



However, as an exception, the first financial year shall include all transactions carried out since the creation date until the last trading day in Paris of the month of December 2018.

#### **Article 27 – Allocation of amounts available for distribution**

The Board of Directors shall establish the net income for the year, which, in accordance with the provisions of the law, is equal to the amount of interest, arrears, premiums, bonuses, and dividends, as well as all income relating to securities that constitute the SICAV's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

1° Net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;

2° Capital gains realised, net of costs, minus capital losses realised, net of costs recorded during the period, plus net capital gains of the same type recorded during earlier periods that were not the subject of any payout or accumulation and minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1° and 2° above may be distributed independently of each other, in whole or in part.

Amounts available for distribution must be paid within a maximum period of five (5) months from the year-end.

Each year, the Annual General Meeting shall decide on the allocation of the amounts available for distribution.

For each share class, where applicable, the SICAV may opt for one of the following formulas for each of the amounts mentioned in points 1° and 2°:

- Accumulation only: distributable amounts shall be fully accumulated, with the exception of those amounts which are subject to compulsory payout by law;
- Income only: all amounts available for distribution shall be paid out to the nearest round number; the company may make interim dividend payouts;
- For SICAVs that would like to remain free to accumulate and/or pay out, and/or retain amounts available for distribution, the General Meeting shall decide each year on the allocation of the amounts indicated in points 1° and 2°.

Where applicable, the Board of Directors can decide, during the year, to distribute one or more interim dividends within the limit of the net revenues of each of the amounts indicated in 1° and 2°, booked on the decision date, as well as their amounts and their distribution dates.

For the (i) income only and (ii) accumulation and/or income shares, the General Meeting shall decide each year how to allocate the capital gains (accumulated, paid out, and/or retained).

More precise details concerning the allocation of distributable amounts are provided in the prospectus.

### **TITRE 7 - EXTENSION - DISSOLUTION – LIQUIDATION**

#### **Article 28 – Extension or early dissolution**

At any time and for any reason whatsoever, the board of directors may propose the extension, early dissolution, or liquidation of the SICAV to an extraordinary general meeting.

The issue of new shares and the buyback of shares by the SICAV from shareholders who so request shall cease on the day of the publication of the notice of the general meeting at which the dissolution and liquidation of the company are proposed or at the expiry of the duration of the company.

#### **Article 29 – Liquidation**

The liquidation methods shall be established according to the provisions of Article L.214-12 of the French monetary and financial code.



## TITLE 8 – DISPUTES

### **Article 30 – Jurisdiction – Election of domicile**

Any disputes that may arise during the company's lifetime or its liquidation, either between the shareholders and the company or between the shareholders themselves, in respect of corporate matters shall be heard and decided in accordance with the law and subject to jurisdiction of the competent courts.

Articles of association updated following the Extraordinary General Meeting of 22 May 2019



R-co Target 2024 High Yield  
Open-ended investment fund (SICAV)  
Prospectus

Updated on 30 April 2020



UCITS governed by  
European  
Directive 2009/65/EC

# R-CO TARGET 2024 HIGH YIELD

## I. General characteristics

### I.1 FORM OF THE UCITS:

<b>Name</b>	:	R-co Target 2024 High Yield
<b>Legal form</b>	:	SICAV (open-ended investment fund) – established in France
<b>Creation date</b>	:	27 November 2017
<b>Expected life</b>	:	99 years
<b>Summary of the management proposal</b>	:	

Share Classes	ISIN code	Appropriate of distributable amounts*	Currency of issue	Target subscribers	Minimum initial subscription amount***
C EUR	FR0013269412	Accumulation	EUR	All subscribers	2,500 euros Initial NAV: 100 euros
D EUR	FR0013269420	Distribution	EUR	All subscribers	2,500 euros Initial NAV: 100 euros
F EUR	FR0013269438	Accumulation	EUR	All subscribers	1 share Initial NAV: 100 euros
R EUR	FR0013269446	Accumulation	EUR	All subscribers but intended especially for foreign marketing networks.	1 share Initial NAV: 100 euros
IC EUR	FR0013269453	Accumulation	EUR	All subscribers but specifically intended for institutional investors	2 million euros Initial NAV: 1,000 euros
ID EUR	FR0013269479	Distribution	EUR	All subscribers but specifically intended for institutional investors	2 million euros Initial NAV: 1,000 euros
I CHF H	FR0013269487	Accumulation	CHF*	All subscribers but specifically intended for institutional investors	2,000,000 Swiss francs Initial NAV: 1,000 Swiss francs
P CHF H	FR0013269495	Accumulation	CHF*	Shares reserved for foreign marketing networks and those acting particularly under a mandate, and subject to the Management Company's prior approval	5,000 Swiss francs Initial NAV: 100 Swiss francs
Nagelmackers D	FR0013269503	Distribution	EUR	Especially reserved for customers of the Nagelmackers group	1 share Initial NAV: 100 euros
Nagelmackers ID	FR0013269511	Distribution	EUR	Especially reserved for customers of the Nagelmackers group	100,000 euros Initial NAV: 1,000 euros

\* See "Methods for appropriating distributable amounts" below.

\*\* Shares in CHF are systematically hedged against the currency risk of the fund's reference currency.

\*\*\* The management company, or any other entity belonging to the same group, is exempt from the initial minimum subscription obligation. Their minimum subscription is 1 share.

The SICAV has several share classes. These different share classes may have different minimum initial subscription amounts, different management fees, different nominal values, and different currencies of issue with systematic hedging against the foreign exchange risk of the fund's reference currency or may be intended for a different distribution network.

**Indication of where the articles of association of the SICAV, the latest annual report, and the latest interim statement can be obtained:**

The latest annual documents and the composition of assets are sent within eight working days of the shareholder's written request addressed to:



Rothschild & Co Asset Management Europe  
Service commercial  
29 avenue de Messine  
75008 Paris

The Key Investor Information Documents (KIID) are also available at [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

Additional explanations can be obtained from the management company's commercial department (tel: 01 40 74 40 84) or by e-mail at the following address: [clientserviceteam@rothschildandco.com](mailto:clientserviceteam@rothschildandco.com)

## ***II. Parties involved***

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### **Management company:**

Rothschild & Co Asset Management Europe, portfolio management company approved by the French financial markets authority (AMF) on 6 June 2017 under number GP17000014  
Limited Partnership  
29 avenue de Messine – 75008 Paris

### **Custodian, registrar, issue account manager, and share registrar:**

Rothschild Martin Maurel, a limited partnership and French credit institution approved by the ACPR (French prudential supervisory and resolution authority).  
Registered office: 29, avenue de Messine - 75008 PARIS

### Description of the depositary's duties:

Rothschild Martin Maurel performs the duties defined by the applicable Regulations, namely:

Safekeeping of the assets of the UCITS,  
Verification of the lawfulness of the management company's decisions,  
Monitoring of cash flows of UCITS.

The custodian is also responsible for managing the liabilities of the UCITS, which includes centralising its share subscription and redemption orders as well as managing the issue account and share registers of the UCITS.

### Supervision and management of conflicts of interest:

Rothschild Martin Maurel and the management company Rothschild & Co Asset Management Europe belong to the same Group, Rothschild & Co. In accordance with the applicable Regulations, they have put in place a policy and a procedure appropriate for their size, their organisation, and the nature of their activities in order to take reasonable measures intended to prevent conflicts of interests that could arise from this relationship.

### Delegate(s):

The Depositary has delegated the safekeeping of foreign financial securities to the Custodian The Bank of New York Mellon SA/NV (Belgium).

The list of entities used by Bank of New York Mellon SA/NV (Belgium) in the delegation of safekeeping duties and the information relating to conflicts of interest likely to result from such delegations are available at [www.rothschildandco.com/fr/wealth-management/rothschild-martin-maurel/informations-bancaires/](http://www.rothschildandco.com/fr/wealth-management/rothschild-martin-maurel/informations-bancaires/).

Updated information is made available to investors free of charge within eight working days on written request from the shareholder to the Depositary.

### **Statutory Auditors:**

Deloitte & Associés  
6 Place de la Pyramide  
92908 Paris La Défense Cedex  
Signatory: Olivier GALIENNE

### **Marketing agents:**

Rothschild & Co Asset Management Europe, Limited Partnership, 29 avenue de Messine, 75008 Paris  
Investors should be aware that all of the SICAV's marketing agents are not necessarily mandated by the Management Company and that the Management Company is unable to establish the exhaustive list of the SICAV's marketing agents because it changes continuously.

### **Accounting subdelegate (delegated by Rothschild & Co Asset Management Europe):**

CACEIS Fund Administration  
1-3, Place Valhubert  
75013 Paris

**Advisers:** None

**Institution in charge of centralising subscription/redemption orders:** Rothschild Martin Maurel



**Directors:**

Detailed information about the identity of the SICAV's directors as well as their external functions is provided in the SICAV's annual report. In accordance with point I.1 above, this information is also available upon request from the marketers.

**III. Management and operations**

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**III. 1. GENERAL CHARACTERISTICS:**

**Characteristics of the shares**

**ISIN code:**

C EUR share: FR0013269412  
D EUR share: FR0013269420  
F EUR share: FR0013269438  
IC EUR share: FR0013269453  
ID EUR share: FR0013269479  
R EUR share: FR0013269446  
I CHF H share: FR0013269487  
P CHF H share: FR0013269495  
Nagelmackers D share: FR0013269503  
Nagelmackers ID share: FR0013269511

- Type of right attached to the share class: The rights of owners are expressed in shares, each share corresponding to a fraction of the SICAV's assets. Each shareholder is entitled to ownership of the SICAV's assets in proportion to the number of shares held.
- Entry in a register or specification of methods of managing liabilities: Liabilities are managed by Rothschild Martin Maurel. Admission of the shares is ensured in Euroclear France.
- Voting rights: Each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.
- Form of the shares: Bearer.
- Fractional units: All shares of the SICAV are broken down into thousandths of shares.

**Closing date:**

Last trading day of the month of December (1<sup>st</sup> closing: December 2018)

**Tax treatment:**

The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time will generally be regarded as taxable.

**III. 2. SPECIAL PROVISIONS:**

**ISIN code:**

C EUR share: FR0013269412  
D EUR share: FR0013269420  
F EUR share: FR0013269438  
IC EUR share: FR0013269453  
ID EUR share: FR0013269479  
R EUR share: FR0013269446  
I CHF H share: FR0013269487  
P CHF H share: FR0013269495  
Nagelmackers D share: FR0013269503  
Nagelmackers ID share: FR0013269511

**Delegation of financial management:** No

**Investment objective:**

The management objective of R-co Target 2024 High Yield is to obtain, over the entire recommended investment period, i.e., from the date of creation of the SICAV until 31 December 2024, an annualised yield net of management fees greater than:  
3.48% for IC EUR, ID EUR, and I CHF H shares  
2.98% for C EUR and D EUR shares  
2.78% for F EUR shares



2.38% for R EUR shares  
3.28% for P CHF H shares  
2.64% for Nagelmackers D shares  
3.10% for Nagelmackers ID shares

Its yield will be the result of the valuation of the accrued coupons on the bonds present in the portfolio and the redemption of these bonds at maturity.

The management objective of the SICAV is based on the assumption of holding its shares over the entire recommended investment period, i.e., from the date of creation of the SICAV until 31 December 2024, and on the realisation of market assumptions made by the Management Company as of the date of approval of the SICAV by the AMF (French financial markets authority). These assumptions include a default risk coupled with the recovery rate of one or more issuers present in the portfolio and take into account the potential cost of foreign exchange risk hedging. If this risk materialises more than expected by these assumptions, it is possible that the management objective will not be achieved. In no case is this objective a promise of yield or performance of the SICAV.

**Benchmark:**

The SICAV has no benchmark. The average life of the bond portfolio is approximately 7 years from the launch of the SICAV. This average life decreases each year to reach that of a money market investment at the end of 2024.

The SICAV is not managed in reference to an index.

The SICAV is not an index-linked UCITS.

**Investment strategies:**

**1. Description of strategies used:**

The investment strategy of the SICAV is a “buy and hold” strategy. The SICAV shall hold its securities to maturity, subject to exceptional events (such as a credit risk considered high by the management company on an issuer or a default). The management company may nevertheless perform arbitrage in the event that an increase in default risk of one of the issuers in the portfolio is identified, or if new market opportunities arise, in order to optimise the average actuarial rate of the portfolio at maturity.

The composition of the SICAV’s portfolio shall take place in three steps:

1. a period of constitution of the portfolio of approximately six months from the launch of the SICAV during which the portfolio of the UCITS shall be composed of bonds maturing on or before 30 June 2025 and money market securities (“money market” and “short-term money market” UCIs and physical securities),
2. a holding period (corresponding to the recommended investment period) during which the portfolio of the UCITS shall be very largely composed of these debt securities maturing on or before 30 June 2025, and
3. a monetisation period starting on 1 January 2025 during which the debt securities in the portfolio reaching maturity shall be replaced by securities on the money market.

- a. The portfolio’s global strategic allocation during the holding period:

The credit risk exposure strategy shall be done in direct investment. The SICAV shall invest between 80% and 100% of the net assets in fixed, variable, or adjustable rate bonds and other negotiable debt securities denominated in all currencies of OECD countries, inflation-indexed bonds, issued by private companies or supranational/public entities or states, and negotiable medium-term notes, with a residual maturity at 31 December 2024 or 6 months or less (namely maturing on or before 30 June 2025), including a maximum of 10% in convertible bonds.

Securities issued by private issuers may represent up to a maximum of 100% of the assets, including a maximum of 50% of issuers of the financial sector; the securities issued by public or supranational entities may represent up to a maximum of 20% of assets.

Eligible securities in the portfolio may be of any geographic region, including emerging countries; nevertheless, the SICAV may hold issues from companies whose head office is outside the OECD only up to a maximum of 20% of the net assets.

Information about the geographical region of the issuers and the sensitivity range within which the SICAV is managed is provided in the table below:



Interest rate sensitivity range within which the UCITS is managed	Geographical area (nationality) of the securities issuers	Range of exposure of the portfolio corresponding to this region
0 to 7	Eurozone	0 - 100%
	European Union (outside eurozone)	0 - 100%
	OECD member countries	0 - 100%
	Non-OECD Countries	0 - 20%

Bonds and other debt securities shall be of any credit quality:

- up to a maximum of 100% of the net assets in speculative securities,
- up to a maximum of 20% of the net assets in investment-grade securities (excluding money market instruments),
- and up to a maximum of 30% of the net assets in unrated securities.

The considered ratings are those assigned by the rating agencies or deemed to be of equivalent quality by the Management Company.

The management company does not exclusively or automatically use credit ratings issued by rating agencies but undertakes its own in-depth analysis to assess the credit quality of fixed-rate instruments.

The SICAV may be invested in securities and bonds denominated in all currencies of the OECD countries. However, the SICAV shall hedge foreign exchange risk against its reference currency (euro) through the use of derivatives in such a way that the consolidated exposure to foreign exchange risk does not exceed 10% of the net assets of the SICAV.

The portfolio's sensitivity is within in a range of 0 to 7. This sensitivity decreases as maturity approaches.

The SICAV may also invest in UCITS, AIF, or investment funds established under foreign "money market" law, for up to a maximum of 10% of net assets and in money market securities for up to a maximum of 10% of net assets for cash management purposes.

Starting on 1 January 2025, the reuse of bonds that have matured will be done in money market securities.

b. Strategies:

The management process for the UCITS combines the Top-Down and Bottom-Up approaches, thus identifying two sources of added value:

- The sectoral and geographical allocation results from the analysis of the economic and financial environment. This analysis identifies the long-term risks and problems that influence the price formation. In particular, analyses of default histories and competition are examined.
- The selection of securities is based on a fundamental approach that involves two steps:
  - A quantitative analysis based on the probability of default:
    - by using a large amount of public data and statistics on each company,
    - by comparing these data to data of companies in the same economic sector,
    - by determining a theoretical valuation that compares favourably or unfavourably with the valuation given by the market.
  - A qualitative analysis based on:
    - sustainability of the sector,
    - examination of competition,
    - understanding of the balance sheet,
    - understanding of the construction of profitability (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.),
    - understanding of debt schedules (balance sheet and off-balance sheet),
    - determination of the probability of intra-sector survival.

**2. Description of the asset classes (excluding embedded derivatives):**

All asset classes included in the composition of the assets of the UCITS are:

- **Equities:** The SICAV shall not invest in equities. However, it may hold equities for up to a maximum of 10% of its net assets after exercising a conversion option attached to the convertible bonds or as a result of the restructuring of an issuer's debt.
- **Debt securities, money market instruments, and fixed-income products:** 80-100% of net assets



Within the limit of the holding range specified below, the SICAV shall invest in fixed, variable, or adjustable rate bonds and other negotiable debt securities denominated in all currencies of OECD countries, inflation-indexed bonds, issued by private companies or supranational/public entities or states, and negotiable medium-term notes, with a residual maturity at 31 December 2024 or 6 months or less (namely maturing on or before 30 June 2025). The SICAV may also invest up to 15% in subordinated securities (Lower Tier 2 excluding “Contingent Convertible” bonds).

Securities issued by private issuers may represent up to a maximum of 100% of the assets, including 50% of issuers of the financial sector, and securities issued by public or supranational entities and states may represent up to a maximum of 20%. Issuers may be from all geographical regions. Issuers located in non-OECD countries are limited to 20%.

Bonds and other debt securities shall be of any credit quality:

- up to a maximum of 100% of the net assets in speculative securities,
- up to a maximum of 20% of the net assets in investment-grade securities (excluding money market instruments),
- and up to a maximum of 30% of the net assets in unrated securities.

The SICAV may invest up to a maximum of 10% of its net assets in convertible bonds.

- o **Holding of shares or units of other UCITS, AIFs, or investment funds governed by foreign law:** a maximum of 10% of net assets.

Within the holding range specified below, the UCITS may hold:

- units or shares of French or European UCITS funds governed by European directive 2009/65/EC,
- units or shares of French or foreign AIF or foreign investment funds meeting the four conditions set out in Article R. 214-13 of the French monetary and financial code.
- units or shares of French UCI governed by European directive 2009/65/EC or not, managed by the Rothschild & Co Group.

These investments shall be made in money market UCIs.

- o **For each of the classes mentioned above:**

	Fixed-income products	Units or shares of UCIs or investment funds
Holding ranges	80%-100%	0-10 %
investment in financial instruments of issuers of non-OECD countries	0-20%	
Investment restrictions imposed by the management company	None	None

**3. Use of derivatives:**

The SICAV may use derivatives within the limit of 100% of its assets on regulated, organised, or OTC markets. It shall intervene on foreign exchange and credit risks for exposure and hedging. These operations shall be carried out in order to achieve the management objective as part of the steering of its exposure to credit and foreign exchange risks.

In particular, the SICAV may intervene on the foreign exchange forward market, index or currency swaps, or credit default swaps.

Please note that the SICAV will not use Total Return Swap (TRS).

Direct and indirect exposure to foreign exchange risk, including through the use of derivatives, shall not exceed 10% of the net assets of the SICAV. The portfolio’s direct and indirect fixed-income market exposure, including exposure resulting from the use of derivatives, will allow the portfolio’s sensitivity to remain within a range between 0 and 7.

**Credit derivatives:**

These credit derivatives are used for hedging purposes through the purchase of protection:

- in order to limit the risk of capital loss on certain issuers (present in the portfolio)
- in order to benefit from the anticipated deterioration of the credit quality of an issuer or a basket of issuers not present in the portfolio greater than that of an exposure presented in the portfolio.

and for exposure, through the sale of protection, to:

- the credit risk of an issuer
- the credit risk on baskets of CDS

Exposure through the use of credit derivatives shall not exceed 100% of the SICAV’s net assets.

**Information related to counterparties of over-the-counter derivatives:**

Counterparties, which may or may not be a credit institution, shall be selected according to the procedure in force within the Rothschild & Co Group and on the basis of the principle of selectivity as part of an ad hoc internal process. The Management Company may regularly select the Depository as its counterparty for OTC exchange derivatives.

In particular, this involves:



- a validation of the counterparties at the end of this internal selection process, which takes into account criteria such as the nature of the activities, expertise, reputation, etc.
- a limited number of financial institutions with which the UCITS trades.

These counterparties have no discretionary decision-making power over the composition or management of the investment portfolio of the UCI, the underlying asset of the derivatives, and/or the composition of the index as part of index swaps.

#### **4. Securities with embedded derivatives:**

In order to achieve the management objective, particularly in managing its credit risk exposure, securities with embedded derivatives shall be used (subscription warrants, warrants, autocalls, indexed or structured medium-term notes and EMTNs, convertible bonds, as securities with simple embedded derivatives presenting similar risk types to the previously listed instruments) up to a limit of 10% of net assets. The fund manager may also invest up to 100% of its net assets in callable and/or puttable bonds.

Direct and indirect exposure to foreign exchange risk, including through the use of securities with embedded derivatives, shall not exceed 10% of the net assets of the SICAV. The portfolio's direct and indirect fixed-income market exposure, including exposure resulting from the use of securities with embedded derivatives, will allow the portfolio's sensitivity to remain within a range between 0 and 7.

#### **5. Deposits:**

Within a limit of 10% of its assets, the SICAV may resort to deposits in euros with a life equal to three months.

#### **6. Cash loans:**

The UCITS may borrow funds for up to 10% of its assets.

#### **7. Securities financing transactions:**

None

#### **Information about the Fund's financial collateral:**

As part of the use of OTC derivatives, the UCITS may receive securities (such as bonds or securities issued or guaranteed by a State or issued by international lending agencies and bonds or securities issued by private issuers of good quality) or cash as collateral. There is no correlation policy insofar as the Fund will receive mainly government securities of the eurozone and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility, diversified issuers that are not an entity of the counterparty or its group.

Discounts may be applied to the collateral received; they shall take into account, in particular, the credit quality and the volatility of the prices of the securities. The valuation is performed at least on a daily basis.

Financial collateral received must be able to give rise to full execution by the Fund at any time and without consultation or approval of the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash must only be:

- placed in deposit accounts;
- invested in high-quality government bonds;
- for the purposes of reverse repurchase transactions, provided that these transactions are concluded with credit institutions subject to prudential supervision and that the OPCVM can, at any time, recall the total amount of cash, taking into account the accrued interest;
- invested in money market collective investment schemes.

#### **Risk profile:**

1. **Credit risk:** risk of a deterioration of credit quality or default of an issuer present in the portfolio. As such, an increase in credit spreads may result in a decrease in the SICAV's net asset value. This risk will even greater given that the SICAV may invest up to a maximum of 100% of net assets in high-yield securities, presenting speculative characteristics, and up to a maximum of 30% of net assets in unrated securities.  
**High-yield credit risk:** This is the credit risk applying to securities deemed speculative that present higher probabilities of default than those of securities in the Investment Grade category. In exchange, they offer higher levels of yield but may, if the rating is downgraded, significantly reduce the net asset value of a UCITS. Non-rated signatures, which will be selected, shall be included in this category in the same manner and may present equivalent or greater risks because of their non-rated nature. The increased risk of default of these issuers may lead to a decline in the net asset value.
2. **Interest rate risk:** This is the risk of a decline in fixed-income instruments resulting from changes in interest rates. It is measured by sensitivity. In a period of rising interest rates, the net asset value may decrease significantly.
3. **Risk of capital loss:** shareholders have no capital guarantee.
4. **Risk associated with investments in non-OECD countries:** up to a maximum of 20% of net assets in non-OECD countries; the manner in which these markets operate and are supervised may differ from the



- standards that prevail in the major international markets. The occurrence of this risk may cause the net asset value to decline.
5. Counterparty risk: the UCITS may use OTC derivatives. These transactions, entered into with a counterparty, expose the UCITS to a risk of the counterparty's default, which may cause the net asset value of the UCITS to decline. Nevertheless, the counterparty risk may be limited by establishing guarantees granted to the UCITS in accordance with the regulations in force.
  6. Discretionary management risk: discretionary management risk is based on the choice of securities and funds by the manager. There is the risk that the UCITS will not always be invested in the best-performing securities and funds.
  7. Liquidity risk: this is the risk related to the low liquidity of high-yield securities (maximum of 100% of net assets) as well as securities issued by issuers located outside the OECD (maximum of 20% of net assets), which makes them sensitive to significant purchase/sale movements. The occurrence of this risk may cause the net asset value to decline.
  8. Equity risk: risk of a decline in the portfolio's net asset value because of the equity market's deterioration. This risk is limited to a maximum of 10% of the net assets of the SICAV.
  9. Currency risk: Some assets are expressed in a currency other than the fund's accounting currency; therefore, a change in exchange rates may result in a decline in the fund's net asset value. Nevertheless, foreign exchange risk shall be limited given that it is hedged in order to be exposed for no more than 10% of the SICAV's assets;
  10. Residual foreign exchange risk: shares in foreign currencies other than the euro are systematically hedged against the foreign exchange risk of the fund's reference currency, but a residual foreign exchange risk associated with possible imperfections of the hedges put in place may remain.

**Guarantee or protection:** None

**Target subscribers and standard investor profile:**

All subscribers. The shares of this SICAV are not and will not be registered in the United States pursuant to the US Securities Act of 1933 as amended ("Securities Act of 1933") or admitted under any law of the United States. These shares may not be offered, sold, or transferred in or to the United States (including its territories and possessions) or benefit, directly or indirectly, any US Person (within the meaning of Regulation S of the Securities Act of 1933) or equivalent (as referred to in the US "HIRE" Act of 18 March 2010 and in the FATCA framework).

This SICAV is particularly intended for investors seeking a return greater than that of a bond issued by the French government in euros, maturing at the end of 2024.

The amount that can be reasonably invested in this SICAV depends on each shareholder's personal situation. To determine this amount, unitholders must consider their personal wealth, their current needs, and their needs over the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment. Unitholders are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this UCITS.

**Recommended investment period:** from the SICAV creation date until 31 December 2024.

**Determination and allocation of amounts available for distribution:**

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the SICAV's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

- 1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;
- 2) Realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be accumulated and/or paid out and/or retained independently of each other, in whole or in part, according to the procedures described below.

Each year, the Annual General Meeting shall decide on the distribution of the distributable amounts (accumulation, distribution and/or carry-forward).

C EUR, F EUR, R EUR, IC EUR, I CHF H, and P CHF H shares: accumulation shares: distributable amounts shall be fully accumulated, with the exception of those amounts that are subject to compulsory distribution by law;

D EUR, ID EUR, Nagelmackers D, and Nagelmackers ID shares: distribution shares: net income is fully distributed after rounding. Each year, the annual general meeting decides on the allocation of capital gains (accumulation, distribution, and/or carry-forward).



**Distribution frequency:**

- D EUR, ID EUR, Nagelmackers D, and Nagelmackers ID shares: On the decision of the annual general meeting with the possibility of an interim distribution on the decision of the Board of Directors.

**Share characteristics:**

The shares of the SICAV are denominated in euros or Swiss francs and are divided into thousandths of shares.

Share Classes	ISIN code	Allocation of amounts available for distribution	Currency of issue	Target subscribers	Minimum initial subscription amount**
C EUR	FR0013269412	Accumulation	EUR	All subscribers	2,500 euros Initial NAV: 100 euros
D EUR	FR0013269420	Distribution	EUR	All subscribers	2,500 euros Initial NAV: 100 euros
F EUR	FR0013269438	Accumulation	EUR	All subscribers	1 share Initial NAV: 100 euros
R EUR	FR0013269446	Accumulation	EUR	All subscribers but intended especially for foreign marketing networks.	1 share Initial NAV: 100 euros
IC EUR	FR0013269453	Accumulation	EUR	All subscribers but specifically intended for institutional investors	2 million euros Initial NAV: 1,000 euros
ID EUR	FR0013269479	Distribution	EUR	All subscribers but specifically intended for institutional investors	2 million euros Initial NAV: 1,000 euros
I CHF H	FR0013269487	Accumulation	CHF*	All subscribers but specifically intended for institutional investors	2,000,000 Swiss francs Initial NAV: 1,000 Swiss francs
P CHF H	FR0013269495	Accumulation	CHF*	shares reserved for foreign marketing networks and those acting particularly under a mandate, and subject to the Management Company's prior approval	5,000 Swiss francs Initial NAV: 100 Swiss francs

Nagelmackers D	FR0013269503	Distribution	EUR	Especially reserved for customers of the Nagelmackers group	1 share Initial NAV: 100 euros
Nagelmackers ID	FR0013269511	Distribution	EUR	Especially reserved for customers of the Nagelmackers group	100,000 euros Initial NAV: 1,000 euros

\* CHF shares are systematically hedged against the currency risk of the fund's reference currency.

\*\* The management company, or any other entity belonging to the same group, is exempt from the initial minimum subscription obligation. Their minimum subscription is 1 share.

**Initial marketing period:** The initial marketing period will be from **16/10/2017 to 24/11/2017**. During this marketing period, the different share classes shall be allocated at their respective initial issue price (initial net asset value as mentioned above). The various share classes will be closed to all new subscriptions as of 30 April 2020.

**Note:** The management objective of the SICAV is based on the assumption of holding its shares over the entire recommended investment period, **i.e. from the date of creation of the SICAV until 31 December 2024**, and on the realisation of market assumptions made by the Management Company as of the date of approval of the SICAV by the AMF (French financial markets authority). Accordingly, the information contained in the management objective may no longer be up to date at the time of subscriptions that occur after the initial marketing period of the SICAV.

**Subscription and redemption:**

Subscription and redemption requests are received and centralised each day at twelve (12) pm at Rothschild Martin Maurel and executed on the basis of the next net asset value (D) (price unknown). Settlements relating to subscriptions and redemptions occur on the second business day following (D+2).

Note that share subscriptions will cease as of 30 April 2020. Eventual subscription requests will therefore be refused as of this date.



Shareholders should be aware that orders transmitted to any institution other than Rothschild Martin Maurel must take account of the fact that the time limit for centralisation of orders mentioned above applies to Rothschild Martin Maurel. Accordingly, these other institutions should apply their own deadline, prior to the deadline mentioned above, in order to take into account their time required for transmission of orders to Rothschild Martin Maurel.

Orders are executed in accordance with the table below:

D	D	D: day of NAV calculation	D+1 business day	D+2 business days	D+2 business days
Centralisation of subscription orders before 12 pm <sup>1</sup>	Centralisation of redemption orders before 12 pm <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

**Condition for trades of shares, subject to eligibility:**

Exchange requests are received and centralised each valuation day and executed according to the procedures indicated above. Any fractional units are either settled in cash or supplemented with an additional share for the subscription, exempt from any subscription fee.

Exchanges of share classes of the SICAV for another share class are considered a disposal followed by a redemption and are subject to the tax system applicable to capital gains on disposals of securities.

**Receipt of subscriptions and redemptions:** Rothschild Martin Maurel

**Determination of net asset value:** The net asset value is determined each day when the Paris stock exchange is open, with the exception of French public holidays.

The net asset value is published on the website of the management company (Rothschild & Co Asset Management Europe) at: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

**Charges and fees**

SUBSCRIPTION AND REDEMPTION FEE:

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or decrease the redemption price received. The fees retained by the UCITS are used to offset the costs incurred by the UCITS in investing or divesting the entrusted assets. Any fees not retained by the UCITS are paid to the management company, marketer, distributor, etc.

<b>Fees charged to the investor, deducted at the time of subscriptions and redemptions</b>	<b>Base</b>	<b>Rate Scale</b>
Subscription fee not retained by the UCITS	Net asset value X number of shares	2.5% maximum for all share classes
Subscription fee retained by the UCITS	Net asset value X number of shares	None
Redemption fee not retained by the UCITS	Net asset value X number of shares	None
Redemption fee retained by the UCITS	Net asset value X number of shares	none

*Exemption:*

(i) if the redemption order is immediately followed by a subscription, on the same day, on the same share class, and for the same amount on the basis of the same net asset value, no subscription or redemption fee shall be charged.

Exchanges of share classes of the SICAV are considered a disposal followed by a redemption and are subject to the tax system applicable to capital gains or losses on disposals of securities.

(ii) Entities of the Rothschild & Co group and UCIs managed by an entity of the Rothschild & Co group are exempt from subscription and redemption fees.

OPERATING AND MANAGEMENT FEES:

These charges cover all costs charged directly to the UCITS, with the exception of transaction costs. Transaction costs include intermediation charges (brokerage, etc.) and turnover fees, where applicable, which may in particular be collected by the custodian and the management company.

The following may be added to the operating expenses and management fees:



- performance fees. These reward the management company for achieving performance in excess of the Fund's objective. They are therefore charged to the UCITS;
- transaction fees charged to the UCITS.

For more information on the charges actually charged to the UCITS, refer to the Key Investor Information Document (KIID).

	Charges billed to the UCITS	Base	Rate Scale
1	Financial management fees and administrative fees external to the management company	Net assets	C EUR and D EUR shares: 1% maximum F EUR shares: 1.20% maximum R EUR shares: 1.60% maximum IC EUR, ID EUR, and I CHF H shares: 0.50% maximum P CHF H share: 0.70% maximum Nagelmackers D shares: 1.34% maximum Nagelmackers ID shares: 0.88% maximum
2	<u>Maximum indirect fees:</u> - <u>management fees</u> - <u>other fees:</u> - subscription: - redemption:	Net assets	Not Applicable
3	Service providers collecting transaction fees: <u>Depository:</u> between 0% and 50% <u>Management Company:</u> between 50% and 100%	Deduction from each transaction	0.03% on French and foreign bonds 2% of the premium on options on equities and equity indexes Other: 100 euros max per transaction
4	Performance fee	Net assets	None

In addition, the management company does not receive any soft commission.

For any additional information, please refer to the SICAV's annual report starting from the financial year ending in December 2018.

Research-related expenses within the meaning of Article 314-21 of the AMF's General Regulation can be charged to SICAV.

Financial intermediary selection procedure:

Rothschild & Co Asset Management Europe takes meticulous care in choosing its intermediaries. They are selected on the basis of the quality of their research, but also their speed and reliability in the execution and processing of orders. We therefore choose those we consider to be the best following a rigorous, regular process.

#### IV. Commercial information

Modifications requiring a special notification to shareholders shall be disseminated to each identified shareholder or through Euroclear France for unidentified shareholders in the form of an information notice.

Modifications not requiring a special notification to shareholders shall be communicated either in the SICAV's interim documents, available from the custodian, through the press, through the Management Company's website ([www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)), or by any other means in accordance with the regulations of the French financial markets authority (AMF).

The repurchase or redemption of shares is done with Rothschild Martin Maurel.

Information on how social, environmental, and governance criteria are taken into account in the investment policy is available on the Management Company's website at [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com) and in the annual report of the SICAV.

The portfolio's composition may be sent to professional investors subject to supervision of the ACPR, the AMF, or equivalent European authorities, or to their service providers, with a confidentiality commitment, in order to meet their regulatory requirements related to Directive 2009/138/EC (Solvency 2).

It will be sent in accordance with the provisions defined by the AMF with a period of no less than 48 hours after publication of the net asset value.

For any additional information, shareholders may contact the management company.



## **V. Investment rules**

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The SICAV shall respect the regulatory ratios applicable to UCITS investing at maximum 10% in UCITS, AIF, or investment funds established under foreign law.

## **VI. Overall risk**

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The method used to calculate the overall risk ratio is the absolute value at risk method as defined by the AMF's General Regulation (art. 411-77 *et seq.*).

Value at risk refers to the measure of the maximum potential loss taking into account a confidence interval over a given period. As such, the value at risk of the SICAV's portfolio is less than 20% of the net assets of the SICAV over 20 days and with a 99% confidence interval, corresponding to the use of interest rate derivatives.

The percentage of the SICAV's assets corresponding to the use of derivatives is between 0% and 200%. The leverage effect of the portfolio will therefore be 2 at maximum.

## **VII. Asset valuation and accounting rules at the approval date**

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The asset valuation rules are based on valuation methods and practical methods specified in the notes to the annual financial statements and in the prospectus.

### Valuation rules:

The UCITS has adopted the euro as the reference currency.

The prices used for the valuation of securities traded on the stock exchange are the closing prices.

The prices of the futures markets are the settlement prices.

UCITS are valued at the last known price.

Treasury bills are valued at the market rate.

Bonds and equity-related securities composing the assets of the UCITS are valued at the Mid Price.

Negotiable debt securities with a residual life of more than three months are valued at the market rate, with the exception of variable-rate or adjustable-rate negotiable debt securities not presenting any particular market sensitivity.

A simplified "linearisation" method is applied for negotiable debt securities with a remaining life of less than three months not presenting any particular market sensitivity, on the basis of the crystallised three-month rate.

The financial collateral is valued at market price (marked-to-market) on a daily basis, in compliance with the valuation rules described above.

Currency futures are valued at the daily fixing price, plus a variable premium/discount depending on the maturity and currencies of the contract.

### Accounting method:

Interest is recognised according to the cash-basis method.

Entries into the portfolio are recognised at their acquisition price, excluding costs.

### Net asset value adjustment method associated with swing pricing with a trigger threshold:

If, on a NAV calculation day, the total of net subscription/redemption orders from investors across all share classes of the SICAV exceeds a threshold pre-established by the management company and determined on the basis of objective criteria as a percentage of the SICAV's net assets, the NAV can be adjusted upwards or downwards in order to take into account the adjustment costs attributable to the net subscription/redemption orders respectively. The NAV of each share class is calculated separately, but any adjustment has, in percentage terms, an identical impact across all NAVs of the SICAV's share classes.

The cost and trigger threshold parameters are determined by the management company and reviewed periodically, at least every six (6) months. These costs are estimated by the management company on the basis of transaction costs, buy/sell spreads, as well as any taxes applicable to the SICAV.

Given that this adjustment is related to the net balance of subscriptions/redemptions within the SICAV, it is not possible to accurately predict whether swing pricing will be applied at a given time in the future. Therefore, it is not possible to accurately predict the frequency at which the management company will need to make such adjustments, which may not exceed 1% of



the NAV. Investors are informed that the volatility of the SICAV's NAV may not reflect only that of the securities held in the portfolio because of the application of swing pricing.

### ***VIII. Remuneration***

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In compliance with Directive 2009/65/EC, Rothschild & Co Asset Management Europe, as the delegated financial manager of the SICAV, has drawn up and applies remuneration policies and practices compatible with sound and efficient risk management and that do not encourage risk taking incompatible with the SICAV's risk profiles and regulatory documents and that do not harm the obligation to act in the best of its interests.

The remuneration policy complies with the economic strategy, objectives, values and interests of the SICAV and investors and includes measures aimed at avoiding conflicts of interest.

In addition, as management company for alternative investment funds and UCITS, Rothschild & Co Asset Management Europe also applies AIFM and UCITS directives.

The Regulated Population in terms of the AIFM and UCITS directives includes the following functions:

General Management

Managers of AIF or UCITS

Development and Marketing managers

Internal Control Compliance Director

Risk functions (operating, market, etc.)

Administrative managers

Any other employee that has a significant impact on the company's risk profile or the AIF/UCITS managed and whose overall remuneration is situated in the same remuneration tranche as other risk

The remuneration policies and practices of Rothschild & Co Asset Management Europe apply to all staff members, with specific rules on deferred variable remuneration applicable to the Regulated Population, in line with the AIFM and UCITS regulations.

Details concerning the Rothschild & Co Asset Management Europe remuneration policy are available at [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

A printed version of the Rothschild & Co Asset Management Europe remuneration policy can be made available free of charge to the SICAV's participants on simple request at the head offices of the SICAV.



# R-CO TARGET 2024 HIGH YIELD

Open-ended investment fund (SICAV)  
29, avenue de Messine – 75,008 Paris  
RCS 834 014 078

## ARTICLES OF ASSOCIATION

### TITLE 1 – FORM, PURPOSE, NAME, REGISTERED OFFICE, AND DURATION OF THE COMPANY

#### Article 1 – Form

The holders of shares hereinafter created and shares subsequently created hereby form an open-ended investment fund (SICAV) governed particularly by the provisions of the French commercial code relating to public limited companies (Book II - Title II - Chapter V), the French monetary and financial code (Book II - Title I - Chapter IV - Section I - Sub-section I), their implementing texts, subsequent texts, and by these articles of association.

#### Article 2 – Purpose

The purpose of this company is to establish and manage a portfolio of financial instruments and deposits.

#### Article 3 – Name

The company is an open-ended investment fund (SICAV) named “R-co Target 2024 High Yield”.

#### Article 4 – Registered office

The registered office is located in Paris (75008) at 29, avenue de Messine.

#### Article 5 – Duration

The duration of the company is 99 years from the date of its entry in the Trade and Companies Register, except in cases of early dissolution or extension provided for in these articles of association.

### TITLE 2 – CAPITAL, VARIATIONS OF CAPITAL, AND CHARACTERISTICS OF THE SHARES

#### Article 6 – Share capital

The initial capital of the SICAV is 300.000 euros divided into 3,000 fully paid-up shares of the same category (C EUR) of the SICAV.

It was constituted by 300,000 euros in cash.

Share classes:

The characteristics of the various share classes and their access conditions are set out in the SICAV’s prospectus.



The different share classes may:

- Have different arrangements for distributing income (income paid out or accumulated);
- Be denominated in different currencies;
- Be subject to different management fees;
- Be subject to different subscription and redemption fees;
- Have a different nominal value;
- Be systematically hedged against risk, either partially or in full, as set out in the prospectus. This hedging process is performed using financial instruments that reduce the impact of the hedging transactions for the other unit classes of the UCITS to a minimum;
- Be reserved for one or more distribution networks.

Possibility of grouping or division of shares by decision of the EGM.

Shares may be subdivided on decision of the board of directors into tenths, hundredths, thousandths, or ten-thousandths, referred to as fractional shares.

The provisions of the articles of association governing the issue and redemption of shares shall also apply to fractional shares, whose value shall always be proportionate to that of the share that they represent. Unless otherwise stated, all other provisions of the articles of association relating to units shall apply to fractional shares without any need to make a specific provision.

#### **Article 7 – Variations of capital**

The amount of the capital is likely to change, resulting from the company's issue of new shares and decreases following the redemption of shares by the company for shareholders who so request.

#### **Article 8 – Issues and redemptions of shares**

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

Redemptions and subscriptions are performed under the conditions and according to the procedures specified in the prospectus.

Redemptions can be made in cash and/or in kind. If the redemption in kind corresponds to a representative share of assets in the portfolio, then only the written signed agreement of the shareholder must be obtained by the SICAV or the management company. If the redemption in kind does not correspond to a representative share of assets in the portfolio, all shareholders must give their written approval authorising the redemption of the outgoing shareholder's shares against certain specific assets, as defined explicitly in the agreement.

In derogation from the above, when the fund is an ETF, redemptions on the primary market can, with the agreement of the portfolio's management company and in respect of the interests of shareholders, be made in kind according to the conditions defined in the prospectus or the fund's rules. The assets will then be delivered by the issuer account holder under the conditions defined in the SICAV's prospectus.

In general, the assets redeemed are valued according to the rules set out in Article 9, and the repurchase in kind takes effect based on the first net asset valuation following the acceptance of the securities concerned.

Any subscription of new shares must be fully paid up. Otherwise, the subscription shall be nullified. Issued shares shall have the same rights as the shares existing on the day of the issue.

Pursuant to Article L. 214-7-4 of the French financial and monetary code, the redemption of its shares by the company, as for the issue of new shares, may be suspended on a temporary basis by the board of directors or executive board when the circumstances so require and if the interests of the shareholders so dictate.

If the net assets of the SICAV (or, where applicable, a sub-fund) fall below the minimum regulatory requirement, no redemption of shares may be done.

Units may be subject to minimum subscription conditions, pursuant to the terms specified in the prospectus.

The SICAV may cease to issue shares pursuant to the third paragraph of Article L. 214-7-4 of the French monetary and financial code, provisionally or definitively, in part or in full, in situations that objectively require the closure of subscriptions, such as when the maximum number of shares has been issued, a maximum amount of assets has been reached, or a specific



subscription period has expired. The triggering of this tool will be the object of information by any means to existing shareholders relative to its activation as well as to the threshold and the objective situation having led to the partial or full closure decision. In the event of a part closure, this information by all means will explicitly point out the terms under which existing shareholders can continue to subscribe throughout the duration of this partial closure. Shareholders are also informed by all means of the decision by the SICAV or the management company either to end the full or part closure of subscriptions (after a fall below the trigger threshold) or not to end it (if the threshold is changed or the objective situation that led to the tool being implemented changes). A change in the objective situation invoked or in the trigger threshold for the tool should always be undertaken in the interests of shareholders.

The information by all means points out the exact reasons for these changes.

#### **Article 9 – Calculation of net asset value**

The net asset value of the share is calculated in accordance with the valuation rules specified in the prospectus. In addition, an indicative instantaneous net asset value shall be calculated by the investment firm in case of admission to trading.

Contributions in kind may only consist of the securities, instruments, or contracts eligible to form part of the SICAV's assets; **contributions and redemptions in kind** are valued in accordance with the valuation rules applicable to the calculation of the net asset value.

#### **Article 10 – Form of shares**

The shares may be in bearer form or registered form, at the choice of the subscribers.

Pursuant to Article L. 211-4 of the French monetary and financial code, the securities must be recorded in accounts, kept depending on the case by the issuer or an authorised intermediary.

The rights of holders shall be represented by an entry in an account in their name:

- with the intermediary of their choice for bearer securities;
- with the issuer and, if they wish, with the intermediary of their choice for registered securities.

The company may, at their own expense, request the name, nationality and address of the SICAV's shareholders, together with the quantity of securities held by each of them in accordance with article L. 211-5 of the French monetary and financial code.

#### **Article 11 - Admission to trading on a regulated market and/or a multilateral trading facility**

Shares may be listed for trading on a regulated market and/or a multilateral trading facility in compliance with applicable laws and regulations. In the event that the SICAV whose shares are admitted to trading on a regulated market has an investment objective based on an index, it must have put in place a mechanism to ensure that the price of its share does not deviate significantly from its net asset value.

#### **Article 12 – Rights and obligations attached to shares**

Each share entitles the holder to ownership of the corporate assets and an interest in the profits proportional to the fraction of the capital that it represents.

The rights and obligations attached to the share shall follow the security in any change of ownership.

Each time it is necessary to own several shares in order to exercise any right whatsoever, and especially in the case of an exchange or regrouping, the owners of isolated shares, or with a lower number than that required, may only exercise these rights on condition that they make the grouping a personal affair, and eventually the purchase or sale of the necessary shares.

#### **Article 13 – Indivisibility of shares**

All joint holders of a share or the beneficiaries are required to be represented with the Company by a single person appointed mutually by them or, failing that, by the president of the commercial court with jurisdiction over the location of the registered office.



If a fractioning of shares has been chosen (Article 6):

Owners of fractions of shares may group together. In this case, they must be represented under the terms set out in the previous line, by a single and same person, who will exercise for each group, the rights attached to ownership of one whole share.

Possibility of specifying the allocation of voting rights at meetings, between beneficial owner and bare owner, or leave this choice to the discretion of the interested parties, who shall be responsible for notifying the company.

### **TITLE 3 – ADMINISTRATION AND MANAGEMENT OF THE COMPANY**

#### **Article 14 – Administration**

The company shall be administered by a board of directors of no fewer than three and no more than eighteen members appointed by the general meeting.

During the life of the company, the directors shall be appointed or renewed in their functions by the ordinary general meeting of shareholders.

Directors may be natural persons or legal entities. Upon their appointment, such legal entities must appoint a permanent representative who shall be subject to the same conditions and obligations and who shall incur the same civil and criminal liabilities as if he or she were a member of the board of directors in his or her own name, without prejudice to the liability of the legal entity represented.

This mandate as permanent representative is given to him or her for the duration of the mandate of the legal entity represented. If the legal entity revokes the mandate of its representative, it shall be required to notify the SICAV immediately by registered letter of this revocation as well as the identity of its new permanent representative. The same is true in case of death, resignation, or extended incapacity of the permanent representative.

#### **Article 15 - Term of office of directors - Renewal of the Board**

Subject to the provisions of the last paragraph of this article, the duration of the functions of the directors is three years for the initial directors and six years at most for subsequent directors, each year referring to the interval between two consecutive annual general meetings.

If one or more director seats become vacant between two general meetings, as a result of death or resignation, the board of directors may make temporary appointments.

The director temporarily appointed by the board to replace another shall remain in office only for the remaining time of the term of his or her predecessor. His or her appointment shall be subject to ratification by the next general meeting.

Any outgoing director may be re-elected. They may be dismissed at any time by the ordinary general meeting.

The functions of each member of the board of directors shall end at the conclusion of the ordinary general meeting of shareholders having ruled on the accounts of the preceding financial year and held in the year in which his or her term expires, with the understanding that, if the meeting is not held during this year, said functions of the member in question shall end on 31 December of the same year, all subject to the exceptions below.

Any director may be appointed for a period of less than six years when this is necessary in order to ensure that the renewal of the board remains as regular as possible and complete in each period of six years. This shall be the case particularly if the number of directors is increased or decreased and the lawfulness of the renewal is affected.

When the number of members of the board of directors falls below the statutory minimum, the remaining member(s) must immediately convene the ordinary general meeting of shareholders in order to make appointments to ensure that the board has an appropriate number of members.

The number of directors who have exceeded the age of 95 years may not be more than one third of the directors in office. If this limited is exceeded, the oldest board member is considered as resigning from their position.

The board of directors may be renewed in part.

In the event of resignation or death of a director and when the number of directors remaining in office is greater than or equal to the minimum required by the articles of association, the board may, on a provisional basis and for the remainder of the term, provide for his or her replacement.

#### **Article 16 – Executive Committee**

The board shall elect from among its members, for the duration that it determines but not exceeding the duration of the director's term, a chairman who must be a natural person.



The chairman of the board of directors organises and manages the works of the board and presents these at the general meeting. The chairman shall ensure that the bodies of the company function properly and, in particular, that the directors are able to fulfil their duties.

If it deems it useful, the board of directors shall also appoint a vice-chairman and may also choose a secretary, even from outside of the board of directors.

In the event of a temporary absence or the death of the chairman, the board will designate a session chairman chosen among the vice-chairmen or by default among the board members.

#### **Article 17 – Meetings and deliberations of the Board**

Meetings of the board of directors are called by its chairman as often as required by the company's interests, either at the registered office or at any other location indicated in the notice of meeting.

If the board has not met for more than two months, at least one third of its members may ask the chairman to convene a meeting for a specific agenda. The managing director may also ask the chairman to convene the board of directors on a specific agenda. The chairman shall be bound by these requests.

Internal regulations may determine, in accordance with the legal and regulatory provisions, the conditions for organisation of meetings of the board of directors, which may take place by videoconference, to the exclusion of the adoption of decisions expressly prohibited by the French commercial code.

Convening notices for the board meeting to approve the annual accounts shall be sent by post to each of the board members. For all other committee meetings, a verbal invitation is allowed.

The presence of at least half of the members shall be required for valid deliberations. Decisions shall be taken by a majority of the members present or represented.

Each director shall have one vote. In the event of a tie vote, the Chairman of the meeting shall have the casting vote.

If a videoconference is allowed, in compliance with prevailing regulations, the internal rules may stipulate that board members taking part in the board meeting via video are considered to be present for quorum and majority calculations.

#### **Article 18 – Minutes**

Minutes shall be kept, and copies or extracts of the deliberations shall be issued and certified in accordance with the law.

#### **Article 19 – Authority of the Board of Directors**

The board of directors shall set the company's business strategy and oversee its implementation. Within the limit of the corporate purpose and subject to the powers expressly conferred to shareholders' meetings by law, it shall consider any matter involving the proper operation of the company and rule on matters that concern it through its deliberations. The board of directors shall carry out the checks and verifications that it deems appropriate. The Company's chairman or managing director shall be required to communicate all documents and information necessary to each board member for carrying out his/her duties.

Any board member may grant power of attorney to another board member to represent him/her at a meeting of the board of directors. Each board member may, during the same meeting, have only one of the proxies received. These provisions are applicable to the permanent representative of a legal entity standing as board member.

#### **Article 20 – General Management**

The company's general management shall be assumed, under its responsibility, either by the chairman of the board of directors or by another natural person appointed by the board of directors and bearing the title of chief executive officer.

The choice between the two methods of general management shall be made under the conditions established in these articles of association by the board of directors for a term ending upon the expiry of the functions of chairman of the board of directors in office. Shareholders and third parties shall be informed of this choice pursuant to the legal and regulatory provisions in force. Depending on the choice made by the board of directors in accordance with the provisions set out hereinabove, the chairman or a managing director shall ensure the general management.

If the board of directors chooses to separate the functions of chairman and managing director, it shall appoint the managing director and set the duration of his or her term of office.



If the Company's general management is handled by the chairman of the board of directors, the following provisions relating to the managing director shall be applicable to him/her.

Subject to the powers that the law expressly allocates to shareholders' meetings as well as the powers that it reserves specially for the board of directors, and within the limit of the corporate purpose, the managing director shall be vested with the broadest powers to act in the name of the company in all circumstances. The managing director's powers shall be exercised within the limits of the corporate purpose and subject to those that the law expressly grants to shareholders' meetings and the board of directors. He/she shall represent the Company in its relations with third parties.

The managing director may grant all partial delegations of his or her powers to any person of his or her choice.

The managing director may be dismissed at any time by the board of directors.

Upon the recommendation of the managing director, the board of directors may appoint up to five natural persons to assist the managing director, who shall have the title of deputy managing director.

The deputy managing directors may be dismissed at any time by the board on the proposal of the managing director.

In agreement with the managing director, the board of directors shall determine the extent and duration of the powers delegated to the deputy managing directors.

These powers may include the ability to make partial delegations. In the event of cessation of functions or incapacity of the managing director, they shall maintain their functions and powers until the appointment of the new managing director, unless the board decides otherwise.

The deputy managing directors shall have the same powers as the managing director as regards third parties.

For the performance of his or her functions, the managing director or the deputy managing director must be under the age of 95 years. Any managing director or deputy managing director who has reached the age of 95 shall continue to perform his/her duties until the ordinary general meeting ruling on the accounts for the financial year during which he/she reaches the age limit.

#### **Article 21 – Allowances and remunerations of the Board**

The remuneration of the chairman of the board of directors and that of the managing director or directors shall be set by the board of directors; it may be fixed or both fixed and proportional.

An annual fixed remuneration may be assigned to the board of directors in the form of directors' fees, the amount of which is determined by the annual general meeting and maintained until otherwise decided by said meeting.

The board of directors shall divide this remuneration among its members as it sees fit.

#### **Article 22 – Custodian**

The custodian shall be appointed by the board of directors.

The custodian shall perform the duties for which it is responsible in accordance with the legal and regulatory provisions in force and those contractually entrusted to it by the SICAV or the management company. It must, in particular, ensure that the management company's decisions are lawful. Where applicable, the custodian must take any protective measures that it deems useful. It shall inform the French regulator, *Autorité des Marchés Financiers* (AMF), in the event of a dispute with the management company.

#### **Article 23 – Prospectus**

The board of directors, or the management company if the SICAV has delegated its overall management, shall have all powers to possibly make all changes to ensure the proper management of the company, all within the framework of the legal and regulatory provisions specific to SICAVs.

### **TITLE 4 – STATUTORY AUDITOR**

#### **Article 24 – Appointment - Powers - Remuneration**

The statutory auditor shall be appointed for six financial years by the board of directors after approval by the AMF from among persons authorised to carry out this function for commercial companies.

The statutory auditor shall certify that the accounts are true and fair.

The statutory auditor may be reappointed to office.



The statutory auditor shall inform the AMF as soon as possible of any event or decision concerning the UCITS of which the statutory auditor has become aware in the course of the work that may:

- 1° Constitute an infringement of applicable laws or regulations and which may have a significant effect on the Fund's financial situation, earnings, or assets;
- 2° Adversely affect the conditions or the continuity of its operations;
- 3° Result in the statutory auditor expressing a qualified opinion or refusing to certify the accounts.

Asset valuations and the determination of exchange rates used in currency conversions, mergers, or spin-offs shall be audited by the statutory auditor.

The statutory auditor assesses all contributions or **redemptions in kind** under its responsibility, **except under the framework of redemptions in kind for an ETF on the primary market**.

The statutory auditor shall certify the composition of the assets and other information before it is reported.

The statutory auditor's fees shall be set by mutual agreement between the statutory auditor and the SICAV's board of directors or executive board on the basis of a work schedule specifying the procedures deemed to be necessary.

The statutory auditor shall certify the circumstances underlying any interim distributions.

## **TITLE 5 – GENERAL MEETINGS**

### **Article 25 – General meetings**

General meetings shall be convened and shall deliberate under the conditions provided for by law.

The annual general meeting, which must approve the Company's accounts, must be convened within four months of the financial year-end.

General meetings shall be held at the corporate registered office or at any other location defined in the notice convening the meeting.

Any shareholder may participate, personally or through a proxy, in the general meetings subject to proof of identity and ownership of shares, in the form of either an entry in the registered security accounts maintained by the company or an entry in the bearer security accounts, at the locations mentioned in the notice of meeting; these formalities must be completed two days before the date of the general meeting.

A shareholder may be represented in accordance with the provisions of article L. 225-106 of the French commercial code.

A shareholder may also vote by correspondence under the conditions provided for by the regulations in force.

General meetings shall be chaired by the chairman of the board of directors or, in his or her absence, by a vice-chairman or by a director appointed for this purpose by the board. Failing this, the general meeting itself shall elect its chairman.

Minutes of the general meeting shall be prepared, and their copies shall be certified and issued in accordance with the law.

## **TITLE 6 – ANNUAL FINANCIAL STATEMENTS**

### **Article 26 – Financial year**

The financial year shall begin on the day after the last trading day in Paris in December and end on the last trading day in Paris of the same month of the following year.

However, as an exception, the first financial year shall include all transactions carried out since the creation date until the last trading day in Paris of the month of December 2018.

### **Article 27 – Allocation of amounts available for distribution**

The Board of Directors shall establish the net income for the year, which, in accordance with the provisions of the law, is equal to the amount of interest, arrears, premiums, bonuses, and dividends, as well as all income relating to securities that constitute the SICAV's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

1° Net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;

2° Capital gains realised, net of costs, minus capital losses realised, net of costs recorded during the period, plus net capital gains of the same type recorded during earlier periods that were not the subject of any payout or accumulation and minus or plus the balance of the capital gains equalisation account.



The amounts indicated in points 1° and 2° above may be accumulated and/or distributed and/or carried forward, independently of each other, in whole or in part.

Amounts available for distribution must be paid within a maximum period of five (5) months from the year-end.

Each year, the Annual General Meeting shall decide on the distribution of the amounts available for distribution.

For each share class, where applicable, the SICAV may opt for one of the following formulas for each of the amounts mentioned in points 1° and 2°:

- Accumulation only: distributable amounts shall be fully accumulated, with the exception of those amounts which are subject to compulsory payout by law;
- Income only: all amounts available for distribution shall be paid out to the nearest round number; the company may make interim dividend distributions;
- For SICAVs that would like to remain free to accumulate and/or pay out, and/or retain amounts available for distribution, the General Meeting shall decide each year on the allocation of the amounts indicated in points 1° and 2°.

Where applicable, the Board of Directors can decide, during the year, to distribute one or more interim dividends within the limit of the net revenues of each of the amounts indicated in 1° and 2°, booked on the decision date, as well as their amounts and their distribution dates.

For the (i) distribution only and (ii) accumulation and/or distribution shares, the General Meeting shall decide each year how to allocate the capital gains (accumulated, paid out, and/or retained).

More precise details concerning the allocation of distributable amounts are provided in the prospectus.

#### **TITRE 7 - EXTENSION - DISSOLUTION – LIQUIDATION**

##### **Article 28 – Extension or early dissolution**

At any time and for any reason whatsoever, the board of directors may propose the extension, early dissolution, or liquidation of the SICAV to an extraordinary general meeting.

The issue of new shares and the buyback of shares by the SICAV from shareholders who so request shall cease on the day of the publication of the notice of the general meeting at which the dissolution and liquidation of the company are proposed or at the expiry of the duration of the company.

##### **Article 29 – Liquidation**

The liquidation methods shall be established according to the provisions of Article L214-12 of the French monetary and financial code.

#### **TITRE 8 – DISPUTES**

##### **Article 30 - Jurisdiction - Election of Domicile**

Any disputes that may arise during the company's lifetime or its liquidation, either between the shareholders and the company or between the shareholders themselves, in respect of corporate matters shall be heard and decided in accordance with the law and subject to jurisdiction of the competent courts.

Articles of association updated following the Extraordinary General Meeting of 27 May 2019



# R-co Thematic Target 2026 HY

Open-ended investment fund (SICAV)

Prospectus

Updated on 1 May 2020



UCITS governed by  
European  
Directive 2009/65/EC

# R-CO THEMATIC TARGET 2026 HY

## I. General characteristics

### I.1 FORM OF THE UCITS:

Name	:	R-co Thematic Target 2026 HY
Legal form	:	SICAV (open-ended investment fund) – incorporated in France
Creation date	:	10 October 2016
Expected life	:	99 years
Summary of the management proposal	:	

Share Classes	ISIN code	Allocation of distribution amounts*	Currency of issue	Target subscribers	Minimum initial subscription amount***
C EUR	FR0013476215	Accumulation	EUR	All subscribers	2,500 euros Initial NAV: 100 euros
D EUR	FR0013476512	Income	EUR	All subscribers	2,500 euros Initial NAV: 100 euros
F EUR	FR0013476231	Accumulation	EUR	All subscribers	1 share Initial NAV: 100 euros
IC EUR	FR0013476249	Accumulation	EUR	All subscribers but specifically intended for institutional investors	2 million euros Initial NAV: 1,000 euros
ID EUR	FR0013476504	Income	EUR	All subscribers but specifically intended for institutional investors	2 million euros Initial NAV: 1,000 euros
R EUR	FR0013476256	Accumulation	EUR	All subscribers but intended especially for foreign marketing networks	1 share Initial NAV: 100 euros
I CHF H	FR0013476264	Accumulation	CHF**	All subscribers but specifically intended for institutional investors	2 million Swiss francs Initial NAV: 1,000 Swiss francs
P CHF H	FR0013476272	Accumulation	CHF**	Shares reserved for foreign marketing networks and those acting particularly under a mandate, and subject to the Management Company's prior approval	5,000 Swiss francs Initial NAV: 100 Swiss francs
Nagelmackers D EUR	FR0013187168	Income	EUR	All subscribers, but specifically intended for the clients of the Nagelmackers group	1 share Initial NAV: 100 euros
Nagelmackers ID EUR	FR0013187176	Income	EUR	All subscribers, but specifically intended for the clients of the Nagelmackers group	100,000 euros Initial NAV: 1,000 euros

\* See the section "Allocation of amounts available for distribution" below.

\*\* Shares in CHF are systematically hedged against the currency risk of the SICAV's reference currency.

\*\*\* The management company, or any other entity belonging to the same group, is exempt from the initial minimum subscription obligation. Their minimum subscription is 1 share.

The SICAV has several share classes. These different share classes may have different minimum initial subscription amounts, different management fees, different nominal values, and different currencies of issue with systematic hedging against the foreign exchange risk of the fund's reference currency or may be intended for a different distribution network.



**Where the articles of association of the SICAV, the latest annual report, and the latest interim statement can be obtained:**

The latest annual documents and the composition of assets are sent within eight working days of the shareholder's written request addressed to:

Rothschild & Co Asset Management Europe  
Service commercial  
29 avenue de Messine  
75008 Paris

The Key Investor Information Document (KIID) is also available at [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

Additional information can be obtained from the management company's commercial department (tel: 01 40 74 40 84) or by e-mail at the following address: [clientserviceteam@rothschildandco.com](mailto:clientserviceteam@rothschildandco.com)

## ***II. Parties involved***

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**Management company:**

Rothschild & Co Asset Management Europe, portfolio management company authorised by the French financial markets authority (AMF) on 6 June 2017 under number GP-17000014  
Limited Partnership  
29 avenue de Messine – 75,008 Paris

**Depositary, custodian, issue account manager and share registrar:**

CACEIS Bank  
1-3, place Valhubert  
75206 Paris Cedex 13, France  
A French credit institution approved by the ACPR (French prudential supervisory and resolution authority)

The depositary's functions include the safekeeping of the assets, verification of the legality of the management company's decisions, and monitoring of the SICAV's cash flows, as defined by the applicable Regulations.

The depositary is also responsible for managing the liabilities of the SICAV, which includes centralising its share subscription and redemption orders as well as managing the issue account and share registers of the SICAV.

The depositary is independent of the management company.

CACEIS Bank's delegates

The description of the delegated safekeeping functions, the list of CACEIS Bank's delegates and sub-delegates, and information regarding conflicts of interest that may result from these delegations are available on the CACEIS website: [www.caceis.com](http://www.caceis.com).

Updated information is available to investors on request.

**Statutory Auditors:**

Deloitte & Associés  
6 place de la Pyramide, 92908 Paris-La Défense Cedex  
Signatory: Olivier Galienne

**Marketing agents:**

Rothschild & Co Asset Management Europe, Limited Partnership, 29 avenue de Messine, 75008 Paris  
Investors should be aware that all of the SICAV's marketing agents are not necessarily mandated by the Management Company and that the Management Company is unable to establish the exhaustive list of the SICAV's marketing agents because it changes continuously.



**Accounting subdelegate (delegated by Rothschild & Co Asset Management Europe):**

CACEIS Fund Administration  
1-3, Place Valhubert  
75013 Paris

**Advisers:** None

**Institution in charge of centralising subscription/redemption orders:**

CACEIS Bank

**Directors:**

Detailed information about the identity of the SICAV's directors as well as their external functions is provided in the SICAV's annual report. In accordance with point I.1 above, this information is also available upon request from the marketers.

### **III. Management and operations**

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#### **III. 1. GENERAL CHARACTERISTICS:**

##### **Characteristics of the shares**

**ISIN code:**

C EUR share: FR0013476215  
D EUR share: FR0013476512  
F EUR share: FR0013476231  
IC EUR share: FR0013476249  
ID EUR share: FR0013476504  
R EUR share: FR0013476256  
I CHF H share: FR0013476264  
P CHF H share: FR0013476272  
Nagelmackers D EUR share: FR0013187168  
Nagelmackers ID EUR share: FR0013187176

- Type of right attached to the share class: The rights of owners are expressed in shares, each share corresponding to a fraction of the SICAV's assets. Each shareholder is entitled to ownership of the SICAV's assets in proportion to the number of shares held.
- Entry in a register or specification of methods of managing liabilities: Liabilities are managed by CACEIS Bank. Admission of the shares is ensured in Euroclear France.
- Voting rights: Each shareholder has voting rights attached to the respective shares held. The articles of association of the SICAV specify how they shall be exercised.
- Form of the shares: Bearer.
- Fractional units: All shares of the SICAV are broken down into ten-thousandths of shares.

**Closing date:**

Last trading day of the month of December (1<sup>st</sup> closing: December 2017)

**Tax treatment:**

The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time will generally be regarded as taxable.

#### **III. 2. SPECIAL PROVISIONS:**

**ISIN code:**

C EUR share: FR0013476215  
D EUR share: FR0013476512  
F EUR share: FR0013476231  
IC EUR share: FR0013476249  
ID EUR share: FR0013476504  
R EUR share: FR0013476256  
I CHF H share: FR0013476264  
P CHF H share: FR0013476272  
Nagelmackers D EUR share: FR0013187168



Nagelmackers ID EUR share: FR0013187176

**Classification:** Bonds and other debt securities denominated in euros

**Delegation of financial management:** No

**Investment objective:**

The SICAV's objective, at the time of subscription and until 31 December 2026, is to achieve a performance linked to the trend of the fixed income markets in euros, primarily through exposure to speculative grade (high yield) securities. The average maturity of the portfolio will be between January and December 2026.

**Benchmark:**

The SICAV has no benchmark. The average maturity of the portfolio will be between January and December 2026. This average maturity will decrease each year until term at end-2026.

The SICAV is not an index-linked UCITS.

**Investment strategies:**

1. Description of strategies used:

**The portfolio's global strategic allocation during the holding period:**

The SICAV's investment strategy is not limited to bond carry: while the management company will tend to hold its securities until maturity, it will be able to make trades in cases where an increase in the default risk of one of the issuers in the portfolio is identified and/or in the event of new opportunities on the market in order to optimise the actuarial average of the portfolio at maturity.

The credit risk exposure strategy shall be carried out through direct investment. The SICAV will invest between 80% and 100% of net assets in fixed-rate, variable-rate or adjustable-rate bonds, other negotiable debt securities, bonds indexed to inflation, issued by private corporations and/or supranational/public entities or States, and medium-term notes, of which a maximum of 10% of net assets in convertible bonds. At least 80% of these securities will be denominated in euros.

Securities issued by private issuers may represent up to a maximum of 100% of the assets, including a maximum of 50% of issuers from the financial sector; the securities issued by public or supranational entities may represent up to a maximum of 20% of assets.

Eligible securities in the portfolio may be of any geographic region, including emerging countries; nevertheless, the SICAV may hold issues from companies having their registered office outside the OECD only up to a maximum of 30% of the net assets.

Information about the geographical region of the issuers and the sensitivity range within which the SICAV is managed is provided in the table below:

Interest rate sensitivity range within which the UCITS is managed	Geographical area (nationality) of the securities issuers	Range of exposure of the portfolio corresponding to this region
0 to 7	Eurozone	0 - 100%
	European Union (outside eurozone)	0 - 100%
	OECD member countries	0 - 100%
	Non-OECD Countries	0 - 30%

Bonds and other debt securities shall be of any credit quality:

- up to a maximum of 100% of the net assets in speculative grade securities,
- up to a maximum of 50% of the net assets in securities rated investment grade (excluding money market instruments),
- and up to a maximum of 30% of the net assets in unrated securities.



The considered ratings are those assigned by the rating agencies or deemed to be of equivalent quality by the Management Company.

The management company does not exclusively or automatically use credit ratings issued by rating agencies but undertakes its own in-depth analysis to assess the credit quality of fixed-rate instruments.

There is a currency risk for shareholders of up to 10% maximum of the net assets of the SICAV.

The portfolio's sensitivity is within in a range of 0 to 7. This sensitivity decreases as maturity approaches.

The SICAV may also invest in UCITS, AIFs, or foreign money market investment funds, for up to a maximum of 10% of net assets, and in money market securities for up to a maximum of 10% of net assets for cash management purposes.

From 1 January 2026, the reinvestment of proceeds from maturing bonds will be made in money market securities. From 30 June 2026, the management company commits to converting, merging or liquidating the SICAV within a maximum period of six months. No new subscriptions may be made from 1 January 2026.

### **Criteria for selecting securities:**

#### **Step 1: Securities selection process within the investment universe:**

The manager implements a selection process combining the top-down and bottom-up approaches, thus identifying two sources of added value:

- The sectoral and geographical allocation results from the analysis of the economic and financial environment. This analysis identifies the long-term risks and problems that influence the price formation. In particular, analyses of default histories and competition are examined.
- The selection of securities is based on a fundamental approach that involves two steps:
  - A quantitative analysis based on the probability of default:
    - by using a large amount of public data and statistics on each company,
    - by comparing these data to data of companies in the same economic sector,
    - by determining a theoretical valuation that compares favourably or unfavourably with the valuation given by the market.
  - A qualitative analysis based on:
    - sustainability of the sector,
    - examination of competition,
    - understanding of the balance sheet,
    - understanding of the construction of profitability (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.),
    - understanding of debt schedules (balance sheet and off-balance sheet),
    - determination of the probability of intra-sector survival.

The management company does not exclusively or automatically use credit ratings issued by rating agencies but undertakes its own in-depth analysis to assess the credit quality of fixed-rate instruments.

UCITS and AIFs shall be selected according to a top-down approach depending on the asset classes. This selection shall be done mainly within the Rothschild & Co range.

#### **Step 2: Portfolio-building process**

The SICAV's portfolio will be built in three steps:

- (i) The portfolio will be built over a period of around six months starting 28 February 2020, and will be made up of bonds maturing before or on 31 December 2028 and money market securities (money market UCIs and direct securities). The average maturity of the portfolio will be between January and December 2026.
- (ii) A holding period (corresponding to the recommended investment period) during which at least 80% of the UCITS portfolio will be made up of bonds maturing before or on 31 2028 with an average portfolio maturity of between January and December 2026.
- (iii) A monetisation period starting 1 January 2026 during which the maturing portfolio bonds will be replaced by money market securities. From 30 June 2026, the management company commits to converting, merging or liquidating the SICAV within a maximum period of six months. No new subscriptions may be made from 1 January 2026.

#### **2. Description of the asset classes (excluding embedded derivatives):**

All asset classes included in the composition of the assets of the UCITS are:

- **Equities:** 0-10% of net assets



The SICAV shall not invest in equities. However, it may hold equities for up to a maximum of 10% of its net assets after exercising a conversion option attached to the convertible bonds or as a result of the restructuring of an issuer's debt.

- **Debt securities, money market instruments, and fixed-income products:** 80-100% of net assets

Within the holding limits specified below, the SICAV's portfolio will invest in bonds from all sectors, geographical regions and of all credit grades (up to a maximum of 100% of net assets in high yield bonds, up to a maximum of 50% of net assets in bonds rated investment grade, and up to a maximum of 30% of net assets in unrated bonds), with fixed, variable or adjustable rates, commercial paper denominated in euros, bonds indexed to inflation and medium-term notes, with a residual maturity that does not exceed 31 December 2028. The SICAV also reserves the right to invest in bonds issued by financial entities (banks, insurers, financial services).

Moreover, securities issued by private issuers may represent up to a maximum of 100% of the assets, including a maximum of 50% of net assets of issuers of the financial sector; securities issued by public or supranational entities may represent up to a maximum of 20% of assets. The securities eligible for the portfolio may come from all geographical regions, including emerging countries, although the SICAV may only hold securities issued by companies having their registered office outside the OECD for a maximum of 30% of net assets.

The SICAV could invest up to a maximum of 100% of net assets in callable and puttable bonds, up to a maximum of 10% of net assets in convertible bonds and up to a maximum of 15% of net assets in contingent convertibles.

- **Shares or units held in other UCITS, AIFs, or investment funds governed by foreign law:** maximum of 10% of net assets

Within the holding range specified below, the UCITS may hold:

- units or shares of French or European UCITS funds governed by European directive 2009/65/EC,
- units or shares of French or foreign AIF or foreign investment funds meeting the four conditions set out in Article R. 214-13 of the French monetary and financial code.
- units or shares of French UCI governed by European directive 2009/65/EC or not, managed by the Rothschild & Co Group.

These investments shall be made in money market UCIs.

- **For each of the classes mentioned above:**

	Fixed-income products	Units or shares of UCIs or investment funds
Holding ranges	80%-100%	0-10 %
Investment in financial instruments of issuers of non-OECD countries	0-30%	
Investment restrictions imposed by the management company	None	None

### **3. Use of derivatives:**

The SICAV may use derivatives within the limit of 100% of its assets on regulated, organised, or OTC markets. They will be used for the purpose of exposure to and/or the hedging of the interest rate, currency and credit risks. Such interventions shall be made with a view to achieving the investment objective, in the context of managing its exposure to the interest rate, currency and credit risks.

In particular, the SICAV could intervene on the futures, interest rate, currency and credit options, and credit default swap markets.

Please note that the SICAV will not use Total Return Swaps (TRS).

The portfolio's direct and indirect fixed-income market exposure, including exposure resulting from the use of derivatives, will allow the portfolio's sensitivity to remain within a range between 0 and 7.

#### Credit derivatives:

Credit derivatives are used for hedging purposes through the purchase of protection:

- in order to limit the risk of capital loss on certain issuers (present in the portfolio)
  - in order to benefit from the anticipated deterioration of the credit quality of an issuer or a basket of issuers not present in the portfolio greater than that of an exposure present in the portfolio
- and for exposure, through the sale of protection, to:
- the credit risk of an issuer
  - the credit risk on baskets of CDS

Exposure through the use of credit derivatives shall not exceed 100% of the SICAV's net assets.



Information related to counterparties of over-the-counter derivatives:

Counterparties, which may or may not be a credit institution, shall be selected according to the procedure in force within the Rothschild & Co Group and on the basis of the principle of selectivity as part of an ad hoc internal process. The Management Company may regularly select the Depository as its counterparty for OTC exchange derivatives.

In particular, this involves:

- a validation of the counterparties at the end of this internal selection process, which takes into account criteria such as the nature of the activities, expertise, reputation, etc.
- a limited number of financial institutions with which the UCITS trades.

These counterparties have no discretionary decision-making power over the composition or management of the investment portfolio of the UCI, the underlying asset of the derivatives, and/or the composition of the index as part of index swaps.

**4. Securities with embedded derivatives:**

In order to achieve the investment objective, particularly in managing its credit risk exposure, securities with embedded derivatives shall be used (warrants, indexed or structured medium-term notes and EMTNs, convertible bonds up to a limit of up to a limit of 10% of net assets, contingent convertibles up to a limit of 15% of net assets). The fund manager may also invest up to 100% of net assets in callable and/or puttable bonds.

The portfolio's direct and indirect fixed-income market exposure, including exposure resulting from the use of securities with embedded derivatives, will allow the portfolio's sensitivity to remain within a range between 0 and 7.

**5. Deposits:**

Within a limit of 10% of its assets, the SICAV may make deposits in euros with a life equal to three months so as to generate income on its liquidity.

**6. Cash loans:**

The UCITS may borrow funds for up to 10% of its assets.

**7. Securities financing transactions:** None.

**Information about the Fund's financial collateral:**

As part of the use of OTC derivatives, the UCITS may receive securities (such as bonds or securities issued or guaranteed by a State or issued by international lending agencies and bonds or securities issued by private issuers of good quality) or cash as collateral. There is no correlation policy insofar as the Fund will receive mainly government securities of the eurozone and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility, diversified issuers that are not an entity of the counterparty or its group.

Discounts may be applied to the collateral received; they shall take into account, in particular, the credit quality and the volatility of the prices of the securities. The valuation is performed at least on a daily basis.

Financial collateral received must be able to give rise to full execution by the Fund at any time and without consultation or approval of the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash must only be:

- placed in deposit accounts;
- invested in high-quality government bonds;
- for the purposes of reverse repurchase transactions, provided that these transactions are concluded with credit institutions subject to prudential supervision and that the OPCVM can, at any time, recall the total amount of cash, taking into account the accrued interest;
- invested in money market collective investment schemes.

**Risk profile:**

1. **Credit risk:** Risk of credit quality deterioration or default of an issuer present in the portfolio or default of a counterparty to an OTC (repo) transaction. As such, an increase in credit spreads may result in a decrease in the SICAV's net asset value. This risk will be even greater as the SICAV can invest up to 100% of net assets in high yield (speculative grade) bonds, up to 50% of its net assets in investment grade securities and up to 30% of net assets in unlisted securities.  
There is a credit risk linked to investments in the issues of companies having their headquarters in non-OECD countries that can represent up to 30% of net assets.
2. **Interest rate risk:** This is the risk of a decline in fixed-income instruments resulting from changes in interest rates. It is measured by sensitivity here between 0 and 7. In a period of rising interest rates, the net asset value may decrease significantly.
3. **Risk on high yield debt:** This is the credit risk applying to speculative-grade securities, which present higher probabilities of default than securities in the investment grade category. They offer higher yield in exchange, but can, in the case of greater uncertainty about the solvency of the issuer, cause the fund's



- net asset value to drop significantly. Unrated issuers, which will be selected, shall be included in this category in the same manner and may present equivalent or greater risks because of their lack of rating. The increased risk of default of these issuers may lead to a decline in the net asset value.
4. Risk of capital loss: unitholders have no capital guarantee.
  5. Risk associated with investments in non-OECD countries: up to a maximum of 30% of net assets in non-OECD countries; the manner in which these markets operate and are supervised may differ from the standards that prevail in the major international markets. The occurrence of this risk may cause the net asset value to decline.
  6. Counterparty risk: The UCITS may use over-the-counter derivatives. These transactions, entered into with a counterparty, expose the UCITS to a risk of the counterparty's default, which may cause the net asset value of the UCITS to decline. Nevertheless, the counterparty risk may be limited by establishing guarantees granted to the UCITS in accordance with the regulations in force.
  7. Discretionary management risk: discretionary management risk is based on the choice of securities and funds by the manager. There is the risk that the UCITS will not always be invested in the best-performing securities and funds.
  8. Liquidity risk: this is the risk related to the low liquidity of high yield securities (100% maximum of net assets), which makes them sensitive to significant buy/sell movements. The occurrence of this risk may cause the net asset value to decline.
  9. Equity risk: Risk of a decline in the portfolio's net asset value because of the equity market's deterioration.
  10. Currency risk: Some assets are expressed in a currency other than the fund's accounting currency; therefore, exchange rate fluctuations may result in a decline in the fund's net asset value; the currency risk will nevertheless be limited as it will be hedged so that the exposure does not exceed 10% of the SICAV's net assets.

**Guarantee or protection:** None

**Target subscribers and standard investor profile:**

All subscribers. The shares of this SICAV are not and will not be registered in the United States pursuant to the US Securities Act of 1933 as amended ("Securities Act of 1933") or admitted under any law of the United States. These shares may not be offered, sold, or transferred in or to the United States (including its territories and possessions) or benefit, directly or indirectly, any US Person (within the meaning of Regulation S of the Securities Act of 1933) or equivalent (as referred to in the US "HIRE" Act of 18 March 2010 and in the FATCA framework).

This SICAV is notably intended for investors seeking returns, over the recommended investment period, on the fixed income markets in euros, notably via high yield debt.

The amount that can be reasonably invested in this SICAV depends on each shareholder's personal situation. To determine this amount, unitholders must consider their personal wealth, their current needs, and their needs over the recommended investment period as well as their willingness to take risks or, otherwise, favour a cautious investment. Unitholders are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this UCITS.

**Recommended investment period:** from 28 February 2020 up to 31 December 2026.

**Determination and allocation of amounts available for distribution:**

Net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses, and directors' fees, as well as all income relating to securities that constitute the SICAV's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Amounts available for distribution consist of the following:

- 1) the net income for the year, plus retained earnings and plus or minus the balance of the income equalisation account;
- 2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be accumulated and/or paid out and/or retained independently of each other, in whole or in part, according to the procedures described below.

Each year, the Annual General Meeting shall decide on the allocation of the distribution amounts (accumulated, paid out and/or retained).

C EUR, F EUR, R EUR, IC EUR, I CHF H, and P CHF H shares: accumulation shares: distribution amounts shall be fully accumulated, with the exception of those amounts that are subject to compulsory payout by law;

D EUR, ID EUR, Nagelmackers D, and Nagelmackers ID shares: income shares: net income is fully paid out after rounding. Each year, the annual general meeting decides on the allocation of capital gains (accumulated, paid out and/or retained).



**Frequency of payout:**

D EUR, ID EUR, Nagelmackers D, and Nagelmackers ID shares: On the decision of the annual general meeting with the possibility of an interim payout on the decision of the Board of Directors.

**Share characteristics:**

All shares of the SICAV are denominated in euros and fractioned into ten-thousandths of shares.

Share Classes	ISIN code	Allocation of distribution amounts*	Currency of issue	Target subscribers	Minimum initial subscription amount***
C EUR	FR0013476215f	Accumulation	EUR	All subscribers	2,500 euros Initial NAV: 100 euros
D EUR	FR0013476512	Income	EUR	All subscribers	2,500 euros Initial NAV: 100 euros
F EUR	FR0013476231	Accumulation	EUR	All subscribers	1 share Initial NAV: 100 euros
IC EUR	FR0013476249	Accumulation	EUR	All subscribers but specifically intended for institutional investors	2 million euros Initial NAV: 1,000 euros
ID EUR	FR0013476504	Income	EUR	All subscribers but specifically intended for institutional investors	2 million euros Initial NAV: 1,000 euros
R EUR	FR0013476256	Accumulation	EUR	All subscribers but intended especially for foreign marketing networks	1 share Initial NAV: 100 euros
I CHF H	FR0013476264	Accumulation	CHF**	All subscribers but specifically intended for institutional investors	2 million Swiss francs Initial NAV: 1,000 Swiss francs
P CHF H	FR0013476272	Accumulation	CHF**	Shares reserved for foreign marketing networks and those acting particularly under a mandate, and subject to the Management Company's prior approval	5,000 Swiss francs Initial NAV: 100 Swiss francs
Nagelmackers D EUR share	FR0013187168	Income	EUR	All subscribers, but specifically intended for the clients of the Nagelmackers group	1 share Initial NAV: 100 euros
Nagelmackers ID EUR share	FR0013187176	Income	EUR	All subscribers, but specifically intended for the clients of the Nagelmackers group	100,000 euros Initial NAV: 1,000 euros

\* See the section "Allocation of amounts available for distribution" below.

\*\* Shares in CHF are systematically hedged against the currency risk of the SICAV's reference currency.

\*\*\* The management company, or any other entity belonging to the same group, is exempt from the initial minimum subscription obligation. Their minimum subscription is 1 share.

**Marketing period:** The marketing period will last 18 months from 28 February 2020, with the possibility to reduce this period to 12 months by decision of the management company.

**Note:** The investment objective of the SICAV is based on the assumption that its shares will be held over the recommended investment period, i.e. from 28 February 2020 until 31 December 2026, and on the materialisation of the market assumptions decided by the Management Company at the date of authorisation of the SICAV by the financial market authority. Accordingly, the information contained in the investment objective may no longer be up to date at the time of subscriptions that occur after the initial marketing period of the SICAV.

**Subscription and redemption:**

Subscription and redemption requests are received and centralised each day at twelve (12) o'clock noon at CACEIS Bank and executed on the basis of the next net asset value (D) (unknown price). Settlements relating to subscriptions and redemptions occur on the second business day following (D+2).



Unitholders should be aware that orders transmitted to any institution other than CACEIS Bank must take account of the fact that the time limit for centralisation of orders mentioned above applies to CACEIS Bank. Accordingly, these other institutions should apply their own deadline, prior to the deadline mentioned above, in order to take into account their time required for transmission of orders to CACEIS Bank.

Orders are executed in accordance with the table below:

D	D	D: day of NAV calculation	D+1 business day	D+2 business days	D+2 business days
Centralisation of subscription orders before 12 pm <sup>1</sup>	Centralisation of redemption orders before 12 pm <sup>1</sup>	Execution of the order no later than day D	Publication of net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup>Unless otherwise agreed with your financial institution.

**Condition for trades of shares, subject to eligibility:**

Exchange requests are received and centralised each valuation day and executed according to the procedures indicated above. Any fractional units are either settled in cash or supplemented with an additional share for the subscription, exempt from any subscription fee.

Exchanges of share classes of the SICAV for another share class are considered a disposal followed by a redemption and are subject to the tax system applicable to capital gains on disposals of securities.

**Receipt of subscriptions and redemptions:** CACEIS Bank

**Determination of net asset value:** The net asset value is determined each day when the Paris stock exchange is open, with the exception of French public holidays.

The net asset value is published on the website of the management company (Rothschild & Co Asset Management Europe) at: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

**Net asset value adjustment method associated with swing pricing with a trigger threshold:**

If, on a NAV calculation day, the total of net subscription/redemption orders from investors across all share classes of the SICAV exceeds a threshold pre-established by the management company and determined on the basis of objective criteria as a percentage of the SICAV's net assets, the NAV can be adjusted upwards or downwards in order to take into account the adjustment costs attributable to the net subscription/redemption orders respectively. The NAV of each share class is calculated separately, but any adjustment has, in percentage terms, an identical impact across all NAVs of the SICAV's share classes.

The cost and trigger threshold parameters are determined by the management company and reviewed periodically, at least every six (6) months. These costs are estimated by the management company on the basis of transaction costs, buy/sell spreads, as well as any taxes applicable to the sub-fund.

Given that this adjustment is related to the net balance of subscriptions/redemptions within the sub-fund, it is not possible to accurately predict whether swing pricing will be applied at a given time in the future. Therefore, it is not possible to accurately predict the frequency at which the management company will need to make such adjustments, which may not exceed 1.50% of the NAV. Investors are informed that the volatility of the SICAV's NAV may not reflect only that of the securities held in the portfolio because of the application of swing pricing.

**Fees and expenses**

SUBSCRIPTION AND REDEMPTION FEE:

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor or decrease the redemption price received. The fees retained by the UCITS are used to offset the costs incurred by the UCITS in investing or divesting the entrusted assets. Any fees not retained by the UCITS are paid to the management company, marketer, distributor, etc.

<b>Fees charged to the investor, deducted at the time of subscriptions and redemptions</b>	<b>Base</b>	<b>Rate Scale</b>
Subscription fee not retained by the UCITS	Net asset value X number of shares	2.5% maximum for all share classes
Subscription fee retained by the UCITS	Net asset value X number of shares	None
Redemption fee not retained by the UCITS	Net asset value X number of shares	None



Redemption fee retained by the UCITS	Net asset value X number of shares	None
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*Exemption:*

(i) if the redemption order is immediately followed by a subscription, on the same day, on the same share class, and for the same amount on the basis of the same net asset value, no subscription or redemption fee shall be charged.

Switches between shares are considered a disposal followed by a redemption and are subject to the tax system applicable to capital gains or losses on disposals of securities.

(ii) Entities of the Rothschild & Co group and UCIs managed by an entity of the Rothschild & Co group are exempt from subscription and redemption fees.

OPERATING EXPENSES AND MANAGEMENT FEES:

These charges cover all costs charged directly to the UCITS, with the exception of transaction costs. Transaction costs include intermediation charges (brokerage, etc.) and turnover fees, where applicable, which may in particular be collected by the custodian and the management company.

The following may be added to the operating expenses and management fees:

- performance fees. These reward the management company for outperforming the Fund's objective. They are therefore charged to the UCITS;
- transaction fees charged to the UCITS.

For more information on the charges actually charged to the UCITS, refer to the Key Investor Information Document (KIID).

	<b>Fees charged to the UCITS</b>	<b>Base</b>	<b>Rate Scale</b>
1	Financial management fees  Operating and management charges external to the management company portfolio	Net assets	C EUR and D EUR shares: 1.00% maximum F EUR shares: 1.20 % maximum R EUR shares: 1.60% maximum IC EUR, ID EUR, and I CHF H shares: 0.50% maximum P CHF H share: 0.70% maximum Nagelmackers D EUR share: 1.00% maximum Nagelmackers ID EUR share: 0.70% maximum
2	<u>Maximum indirect fees:</u> <u>- management fees</u>  <u>- other fees:</u>  - subscription:  - redemption:	Net assets	Not Applicable
3	Service providers collecting transaction fees:	Deduction from each transaction	None
4	Performance fee	Net assets	None

In addition, the management company does not receive any soft commission.

Research-related expenses within the meaning of Article 314-21 of the AMF's General Regulation can be charged to SICAV.

For any additional information, please refer to the SICAV's annual report.

Financial intermediary selection procedure:

Rothschild & Co Asset Management Europe takes meticulous care in choosing its intermediaries. They are selected on the basis of the quality of their research, but also their speed and reliability in the execution and processing of orders. We therefore choose those we consider to be the best following a rigorous, regular process.

**IV. Commercial information**

Modifications requiring a special notification to shareholders shall be disseminated to each identified shareholder or through Euroclear France for unidentified shareholders in the form of an information notice.



Modifications not requiring a special notification to shareholders shall be communicated either in the SICAV's interim documents, available from the depositary, through the press, through the Management Company's website ([www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)), or by any other means in accordance with the regulations of the French financial markets authority (AMF).

The repurchase or redemption of units is done with CACEIS Bank.

Information on how social, environmental, and governance criteria are taken into account in the investment policy is available on the management company's website at [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com) and in the annual report of the SICAV.

The portfolio's composition may be sent to professional investors subject to supervision of the ACPR, the AMF, or equivalent European authorities, or to their service providers, with a confidentiality commitment, in order to meet their regulatory requirements related to Directive 2009/138/EC (Solvency 2). It will be sent in accordance with the provisions defined by the AMF with a period of no less than 48 hours after publication of the net asset value.

For any additional information, shareholders may contact the management company.

## ***V. Investment rules***

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The SICAV shall respect the regulatory ratios applicable to UCITS investing at maximum 10% in UCITS, AIFs, or investment funds established under foreign law.

## ***VI. Overall risk***

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The method used to calculate the overall risk ratio is the absolute value at risk method as defined by the AMF's General Regulation (art. 411-77 *et seq.*).

Value at risk refers to the measure of the maximum potential loss taking into account a confidence interval over a given period. As such, the value at risk of the SICAV's portfolio is less than 20% of the net assets of the SICAV over 20 days and with a 99% confidence interval, corresponding to the use of interest rate derivatives.

The percentage of the SICAV's assets corresponding to the use of derivatives is between 0% and 200%. The leverage effect of the portfolio will therefore be 2 at maximum.

## ***VII. Asset valuation and accounting rules at the approval date***

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The asset valuation rules are based on valuation methods and practical methods specified in the notes to the annual financial statements and in the prospectus.

### Valuation rules:

The UCITS has adopted the euro as the reference currency.

The prices used for the valuation of securities traded on the stock exchange are the closing prices.

The prices of the derivatives markets are the settlement prices.

UCITS are valued at the last known price.

Treasury bills are valued at the market rate.

Bonds and equity-related securities composing the assets of the UCITS are valued at the Mid Price.

Negotiable debt securities with a residual life of more than three months are valued at the market rate, with the exception of variable-rate or adjustable-rate negotiable debt securities not presenting any particular market sensitivity.

A simplified "linearisation" method is applied for negotiable debt securities with a remaining life of less than three months not presenting any particular market sensitivity, on the basis of the crystallised three-month rate.

Repurchase agreements and sales with an option to repurchase are valued at the contract price.



The financial collateral is valued at market price (marked-to-market) on a daily basis, in compliance with the valuation rules described above.

Currency futures are valued at the daily fixing price, plus a variable premium/discount depending on the maturity and currencies of the contract.

Accounting method:

Interest is recognised according to the cash-basis method.

Entries into the portfolio are recognised at their acquisition price, excluding costs.

### ***VIII. Remuneration***

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In compliance with Directive 2009/65/EC, Rothschild & Co Asset Management Europe, as the delegated financial manager of the SICAV, has drawn up and applies remuneration policies and practices compatible with sound and efficient risk management and that do not encourage risk taking incompatible with the SICAV's risk profiles and regulatory documents and that do not harm the obligation to act in the best of its interests.

The remuneration policy complies with the economic strategy, objectives, values and interests of the SICAV and investors and includes measures aimed at avoiding conflicts of interest.

In addition, as management company for alternative investment funds and UCITS, Rothschild & Co Asset Management Europe also applies AIFM and UCITS directives.

The Regulated Population in terms of the AIFM and UCITS directives includes the following functions:

- General Management (excluding Partner Managers)
- Managers of AIF or UCITS
- Development and Marketing managers
- Internal Control Compliance Director
- Risk functions (operating, market, etc.)
- Administrative managers
- Any other employee that has a material impact on the company's risk profile or the AIF/UCITS managed and whose overall remuneration is situated in the same remuneration tranche as other risk takers.

The remuneration policies and practices of Rothschild & Co Asset Management Europe apply to all staff members, with specific rules on deferred variable remuneration applicable to the Regulated Population, in line with the AIFM and UCITS regulations.

Details concerning the Rothschild & Co Asset Management Europe remuneration policy are available at [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

A printed version of the Rothschild & Co Asset Management Europe remuneration policy can be made available free of charge to investors in the SICAV on request at the registered office of the SICAV.

# R-CO THEMATIC TARGET 2026 HY

Open-ended investment fund (SICAV)  
29, avenue de Messine – 75008 Paris  
823 445 150 R.C.S. Paris

## ARTICLES OF ASSOCIATION

### TITLE 1 – FORM, PURPOSE, NAME, REGISTERED OFFICE, AND DURATION OF THE COMPANY

#### Article 1 – Form

The holders of shares hereinafter created and shares subsequently created hereby form an open-ended investment fund (SICAV) governed particularly by the provisions of the French commercial code relating to public limited companies (Book II - Title II - Chapter V), the French monetary and financial code (Book II - Title I - Chapter IV - Section I - Sub-section I), their implementing texts, subsequent texts, and by these articles of association.

#### Article 2 – Purpose

The purpose of this company is to establish and manage a portfolio of financial instruments and deposits.

#### Article 3 – Name

The company is an open-ended investment fund (SICAV) named “R-co Thematic Target 2026 HY”.

#### Article 4 – Registered office

The registered office is located in Paris (75008) at 29, avenue de Messine.

#### Article 5 – Duration

The duration of the company is 99 years from the date of its entry in the Trade and Companies Register, except in cases of early dissolution or extension provided for in these articles of association.

### TITLE 2 – CAPITAL, VARIATIONS OF CAPITAL, AND CHARACTERISTICS OF THE SHARES

#### Article 6 – Share capital

The minimum share capital of the SICAV is 300,000 euros.

The initial capital of the SICAV is 300,000 euros divided into 2,000 fully paid-up D EUR shares and 100 ID shares. It was constituted by 300.000 euros in cash.

Share classes:

The characteristics of the various share classes and their access conditions are set out in the SICAV’s prospectus.

## **Articles of Association**

### **R-co Thematic Target 2026 HY**

The different share classes may:

- Have different arrangements for distributing income (paid out or accumulated);
- Be denominated in different currencies;
- Be subject to different management fees;
- Be subject to different subscription and redemption fees;
- Have a different nominal value;
- Be systematically hedged against risk, either partially or in full, as set out in the prospectus. This hedging process is performed using financial instruments that reduce the impact of the hedging transactions for the other unit classes of the UCITS to a minimum;
- Be reserved for one or more distribution networks.

Possibility of grouping or division of shares by decision of the EGM.

Shares may be subdivided on decision of the board of directors into tenths, hundredths, thousandths, or ten-thousandths, referred to as fractional shares.

The provisions of the articles of association governing the issue and redemption of shares shall also apply to fractional shares, whose value shall always be proportionate to that of the share that they represent. Unless otherwise stated, all other provisions of the articles of association relating to units shall apply to fractional shares without any need to make a specific provision.

#### **Article 7 – Variations of capital**

The amount of the capital is likely to change, resulting from the company's issue of new shares and decreases following the redemption of shares by the company for shareholders who so request.

#### **Article 8 – Issues and redemptions of shares**

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

Redemptions and subscriptions are performed under the conditions and according to the procedures specified in the prospectus.

Redemptions can be made in cash and/or in kind. If the redemption in kind corresponds to a representative share of assets in the portfolio, then only the written signed agreement of the shareholder must be obtained by the SICAV or the management company. If the redemption in kind does not correspond to a representative share of assets in the portfolio, all shareholders must give their written approval authorising the redemption of the outgoing shareholder's shares against certain specific assets, as defined explicitly in the agreement.

In derogation from the above, when the fund is an ETF, redemptions on the primary market can, with the agreement of the portfolio's management company and in respect of the interests of shareholders, be made in kind according to the conditions defined in the prospectus or the fund's rules. The assets will then be delivered by the issuer account holder under the conditions defined in the SICAV's prospectus.

In general, the assets redeemed are valued according to the rules set out in Article 9, and the repurchase in kind takes effect based on the first net asset valuation following the acceptance of the securities concerned.

Any subscription of new shares must be fully paid up. Otherwise, the subscription shall be nullified. Issued shares shall have the same rights as the shares existing on the day of the issue.

Pursuant to Article L. 214-7-4 of the French financial and monetary code, the redemption of its shares by the company, as for the issue of new shares, may be suspended on a temporary basis by the board of directors or executive board when the circumstances so require and if the interests of the shareholders so dictate.

If the net assets of the SICAV (or, where applicable, a sub-fund) fall below the minimum regulatory requirement, no redemption of shares may be done.

Units may be subject to minimum subscription conditions, pursuant to the terms specified in the prospectus.

The SICAV may cease to issue shares pursuant to the third paragraph of Article L. 214-7-4 of the French monetary and financial code, provisionally or definitively, in part or in full, in situations that objectively require the closure of subscriptions,

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such as when the maximum number of shares has been issued, a maximum amount of assets has been reached, or a specific subscription period has expired. The triggering of this tool will be the object of information by any means to existing shareholders relative to its activation as well as to the threshold and the objective situation having led to the partial or full closure decision. In the event of a part closure, this information by all means will explicitly point out the terms under which existing shareholders can continue to subscribe throughout the duration of this partial closure. Shareholders are also informed by all means of the decision by the SICAV or the management company either to end the full or part closure of subscriptions (after a fall below the trigger threshold) or not to end it (if the threshold is changed or the objective situation that led to the tool being implemented changes). A change in the objective situation invoked or in the trigger threshold for the tool should always be undertaken in the interests of shareholders.

The information by all means points out the exact reasons for these changes.

#### **Article 9 – Calculation of net asset value**

The net asset value of the share is calculated in accordance with the valuation rules specified in the prospectus. In addition, an indicative instantaneous net asset value shall be calculated by the investment firm in case of admission to trading.

Contributions in kind may only consist of the securities, instruments, or contracts eligible to form part of the UCITS's assets; Contributions and redemptions in kind are valued in accordance with the valuation rules applicable to the calculation of the net asset value.

#### **Article 10 – Form of shares**

The shares may be in bearer form or registered form, at the choice of the subscribers. Pursuant to Article L. 211-4 of the French monetary and financial code, the securities must be recorded in accounts, kept depending on the case by the issuer or an authorised intermediary.

The rights of holders shall be represented by an entry in an account in their name:

- with the intermediary of their choice for bearer securities;
- with the issuer and, if they wish, with the intermediary of their choice for registered securities.

The company may, at their own expense, request the name, nationality and address of the SICAV's shareholders, together with the quantity of securities held by each of them in accordance with article L. 211-5 of the French monetary and financial code.

#### **Article 11 - Admission to trading on a regulated market and/or a multilateral trading facility**

Shares may be listed for trading on a regulated market and/or a multilateral trading facility in compliance with applicable laws and regulations. In the event that the SICAV whose shares are admitted to trading on a regulated market has an investment objective based on an index, it must have put in place a mechanism to ensure that the price of its share does not deviate significantly from its net asset value.

#### **Article 12 – Rights and obligations attached to shares**

Each share entitles the holder to ownership of the corporate assets and an interest in the profits proportional to the fraction of the capital that it represents.

The rights and obligations attached to the share shall follow the security in any change of ownership.

Each time it is necessary to own several shares in order to exercise any right whatsoever, and especially in the case of an exchange or regrouping, the owners of isolated shares, or with a lower number than that required, may only exercise these rights on condition that they make the grouping a personal affair, and eventually the purchase or sale of the necessary shares.

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**Article 13 – Indivisibility of shares**

All joint holders of a share or the beneficiaries are required to be represented with the Company by a single person appointed mutually by them or, failing that, by the president of the commercial court with jurisdiction over the location of the registered office.

If a fractioning of shares has been chosen (Article 6):

Owners of fractions of shares may group together. In this case, they must be represented under the terms set out in the previous line, by a single and same person, who will exercise for each group, the rights attached to ownership of one whole share.

Possibility of specifying the allocation of voting rights at meetings, between beneficial owner and bare owner, or leave this choice to the discretion of the interested parties, who shall be responsible for notifying the company.

**TITLE 3 – ADMINISTRATION AND MANAGEMENT OF THE COMPANY**

**Article 14 – Administration**

The company shall be administered by a board of directors of no fewer than three and no more than eighteen members appointed by the general meeting.

During the life of the company, the directors shall be appointed or renewed in their functions by the ordinary general meeting of shareholders.

Directors may be natural persons or legal entities. Upon their appointment, such legal entities must appoint a permanent representative who shall be subject to the same conditions and obligations and who shall incur the same civil and criminal liabilities as if he or she were a member of the board of directors in his or her own name, without prejudice to the liability of the legal entity represented.

This mandate as permanent representative is given to him or her for the duration of the mandate of the legal entity represented. If the legal entity revokes the mandate of its representative, it shall be required to notify the SICAV immediately by registered letter of this revocation as well as the identity of its new permanent representative. The same is true in case of death, resignation, or extended incapacity of the permanent representative.

**Article 15 – Term of office of directors – Renewal of the Board**

Subject to the provisions of the last paragraph of this article, the duration of the functions of the directors is three years for the initial directors and six years at most for subsequent directors, each year referring to the interval between two consecutive annual general meetings.

If one or more director seats become vacant between two general meetings, as a result of death or resignation, the board of directors may make temporary appointments.

The director temporarily appointed by the board to replace another shall remain in office only for the remaining time of the term of his or her predecessor. His or her appointment shall be subject to ratification by the next general meeting.

Any outgoing director may be re-elected. They may be dismissed at any time by the ordinary general meeting.

The functions of each member of the board of directors shall end at the conclusion of the ordinary general meeting of shareholders having ruled on the accounts of the preceding financial year and held in the year in which his or her term expires, with the understanding that, if the meeting is not held during this year, said functions of the member in question shall end on 31 December of the same year, all subject to the exceptions below.

Any director may be appointed for a period of less than six years when this is necessary in order to ensure that the renewal of the board remains as regular as possible and complete in each period of six years. This shall be the case particularly if the number of directors is increased or decreased and the lawfulness of the renewal is affected.

When the number of members of the board of directors falls below the statutory minimum, the remaining member(s) must immediately convene the ordinary general meeting of shareholders in order to make appointments to ensure that the board has an appropriate number of members.

The number of directors who have exceeded the age of 95 years may not be more than one third of the directors in office. If this limited is exceeded, the oldest board member is considered as resigning from their position.

The board of directors may be renewed in part.

In the event of resignation or death of a director and when the number of directors remaining in office is greater than or equal to the minimum required by the articles of association, the board may, on a provisional basis and for the remainder of the term, provide for his or her replacement.

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#### **Article 16 – Executive Committee**

The board shall elect from among its members, for the duration that it determines but not exceeding the duration of the director's term, a chairman who must be a natural person.

The chairman of the board of directors organises and manages the works of the board and presents these at the general meeting. The chairman shall ensure that the bodies of the company function properly and, in particular, that the directors are able to fulfil their duties.

If it deems it useful, the board of directors shall also appoint a vice-chairman and may also choose a secretary, even from outside of the board of directors.

In the event of a temporary absence or the death of the chairman, the board will designate a session chairman chosen among the vice-chairmen or by default among the board members.

#### **Article 17 – Meetings and deliberations of the Board**

Meetings of the board of directors are called by its chairman as often as required by the company's interests, either at the registered office or at any other location indicated in the notice of meeting.

If the board has not met for more than two months, at least one third of its members may ask the chairman to convene a meeting for a specific agenda. The managing director may also ask the chairman to convene the board of directors on a specific agenda. The chairman shall be bound by these requests.

Internal regulations may determine, in accordance with the legal and regulatory provisions, the conditions for organisation of meetings of the board of directors, which may take place by videoconference, to the exclusion of the adoption of decisions expressly prohibited by the French commercial code.

Convening notices for the board meeting to approve the annual accounts shall be sent by post to each of the board members. For all other committee meetings, a verbal invitation is allowed.

The presence of at least half of the members shall be required for valid deliberations. Decisions shall be taken by a majority of the members present or represented.

Each director shall have one vote. In the event of a tie vote, the Chairman of the meeting shall have the casting vote.

If a videoconference is allowed, in compliance with prevailing regulations, the internal rules may stipulate that board members taking part in the board meeting via video are considered to be present for quorum and majority calculations.

#### **Article 18 – Minutes**

Minutes shall be kept, and copies or extracts of the deliberations shall be issued and certified in accordance with the law.

#### **Article 19 – Authority of the Board of Directors**

The board of directors shall set the company's business strategy and oversee its implementation. Within the limit of the corporate purpose and subject to the powers expressly conferred to shareholders' meetings by law, it shall consider any matter involving the proper operation of the company and rule on matters that concern it through its deliberations. The board of directors shall carry out the checks and verifications that it deems appropriate. The Company's chairman or managing director shall be required to communicate all documents and information necessary to each board member for carrying out his/her duties.

Any board member may grant power of attorney to another board member to represent him/her at a meeting of the board of directors. Each board member may, during the same meeting, have only one of the proxies received. These provisions are applicable to the permanent representative of a legal entity standing as board member.

#### **Article 20 – General Management**

The company's general management shall be assumed, under its responsibility, either by the chairman of the board of directors or by another natural person appointed by the board of directors and bearing the title of chief executive officer.

The choice between the two methods of general management shall be made under the conditions established in these articles of association by the board of directors for a term ending upon the expiry of the functions of chairman of the board of directors in office. Shareholders and third parties shall be informed of this choice pursuant to the legal and regulatory provisions in force.

Depending on the choice made by the board of directors in accordance with the provisions set out hereinabove, the chairman or a managing director shall ensure the general management.

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If the board of directors chooses to separate the functions of chairman and managing director, it shall appoint the managing director and set the duration of his or her term of office.

If the Company's general management is handled by the chairman of the board of directors, the following provisions relating to the managing director shall be applicable to him/her.

Subject to the powers that the law expressly allocates to shareholders' meetings as well as the powers that it reserves specially for the board of directors, and within the limit of the corporate purpose, the managing director shall be vested with the broadest powers to act in the name of the company in all circumstances. The managing director's powers shall be exercised within the limits of the corporate purpose and subject to those that the law expressly grants to shareholders' meetings and the board of directors. He/she shall represent the Company in its relations with third parties.

The managing director may grant all partial delegations of his or her powers to any person of his or her choice.

The managing director may be dismissed at any time by the board of directors.

Upon the recommendation of the managing director, the board of directors may appoint up to five natural persons to assist the managing director, who shall have the title of deputy managing director.

The deputy managing directors may be dismissed at any time by the board on the proposal of the managing director.

In agreement with the managing director, the board of directors shall determine the extent and duration of the powers delegated to the deputy managing directors.

These powers may include the ability to make partial delegations. In the event of cessation of functions or incapacity of the managing director, they shall maintain their functions and powers until the appointment of the new managing director, unless the board decides otherwise.

The deputy managing directors shall have the same powers as the managing director as regards third parties.

For the performance of his or her functions, the managing director or the deputy managing director must be under the age of 95 years. Any managing director or deputy managing director who has reached the age of 95 shall continue to perform his/her duties until the ordinary general meeting ruling on the accounts for the financial year during which he/she reaches the age limit.

#### **Article 21 – Allowances and remunerations of the Board**

The remuneration of the chairman of the board of directors and that of the managing director or directors shall be set by the board of directors; it may be fixed or both fixed and proportional.

An annual fixed remuneration may be assigned to the board of directors in the form of directors' fees, the amount of which is determined by the annual general meeting and maintained until otherwise decided by said meeting.

The board of directors shall divide this remuneration among its members as it sees fit.

#### **Article 22 – Depositary**

The depositary shall be appointed by the board of directors.

The depositary shall perform the duties for which it is responsible in accordance with the legal and regulatory provisions in force and those contractually entrusted to it by the SICAV or the management company. It must, in particular, ensure that the management company's decisions are lawful. Where applicable, the depositary must take any protective measures that it deems useful. It shall inform the French regulator, *Autorité des Marchés Financiers* (AMF), in the event of a dispute with the management company.

#### **Article 23 – Prospectus**

The board of directors, or the management company if the SICAV has delegated its overall management, shall have all powers to possibly make all changes to ensure the proper management of the company, all within the framework of the legal and regulatory provisions specific to SICAVs.

### **TITLE 4 – STATUTORY AUDITOR**

#### **Article 24 – Appointment - Powers - Remuneration**

The statutory auditor shall be appointed for six financial years by the board of directors after approval by the AMF from among persons authorised to carry out this function for commercial companies.

The statutory auditor shall certify that the accounts are true and fair.

The statutory auditor may be reappointed to office.

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The statutory auditor shall inform the AMF as soon as possible of any event or decision concerning the UCITS of which the statutory auditor has become aware in the course of the work that may:

1° Constitute an infringement of applicable laws or regulations and which may have a significant effect on the Fund's financial situation, earnings, or assets;

2° Adversely affect the conditions or the continuity of its operations;

3° Result in the statutory auditor expressing a qualified opinion or refusing to certify the accounts.

Asset valuations and the determination of exchange rates used in currency conversions, mergers, or spin-offs shall be audited by the statutory auditor.

The statutory auditor assesses all contributions or redemptions in kind under its responsibility, except under the framework of redemptions in kind for an ETF on the primary market.

The statutory auditor shall certify the composition of the assets and other information before it is reported.

The statutory auditor's fees shall be set by mutual agreement between the statutory auditor and the SICAV's board of directors or executive board on the basis of a work schedule specifying the procedures deemed to be necessary.

The statutory auditor shall certify the circumstances underlying any interim distributions.

## **TITLE 5 – GENERAL MEETINGS**

### **Article 25 – General meetings**

General meetings shall be convened and shall deliberate under the conditions provided for by law.

The annual general meeting, which must approve the Company's accounts, must be convened within four months of the financial year-end.

General meetings shall be held at the corporate registered office or at any other location defined in the notice convening the meeting.

Any shareholder may participate, personally or through a proxy, in the general meetings subject to proof of identity and ownership of shares, in the form of either an entry in the registered security accounts maintained by the company or an entry in the bearer security accounts, at the locations mentioned in the notice of meeting; these formalities must be completed two days before the date of the general meeting.

A shareholder may be represented in accordance with the provisions of article L. 225-106 of the French commercial code.

A shareholder may also vote by correspondence under the conditions provided for by the regulations in force.

General meetings shall be chaired by the chairman of the board of directors or, in his or her absence, by a vice-chairman or by a director appointed for this purpose by the board. Failing this, the general meeting itself shall elect its chairman.

Minutes of the general meeting shall be prepared, and their copies shall be certified and issued in accordance with the law.

## **TITLE 6 – ANNUAL FINANCIAL STATEMENTS**

### **Article 26 – Financial year**

The financial year shall begin on the day after the last trading day in Paris in December and end on the last trading day in Paris of the same month of the following year.

However, as an exception, the first financial year shall include all transactions carried out since the creation date until the last trading day in Paris of the month of December 2016.

### **Article 27 – Allocation of amounts available for distribution**

The Board of Directors shall establish the net income for the year, which, in accordance with the provisions of the law, is equal to the amount of interest, arrears, premiums, bonuses, and dividends, and directors' fees, as well as all income relating to securities that constitute the SICAV's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs. Distribution amounts are equal to net earnings plus retained earnings (except for accumulation SICAVs) and plus or minus the income equalisation accounts for the year ended.

The amounts that can be distributed by an undertaking for collective investment in transferable securities, in accordance with the provisions of the law, consist of:

- 1) Income for the year, plus retained earnings and plus or minus the balance of income equalisation account;
- 2) Realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, plus net capital gains of the same nature recognised over prior years that were not paid out or accumulated, minus or plus the balance of the capital gains equalisation account.

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The amounts indicated in points 1) and 2) above may be accumulated and/or paid out and/or retained independently of each other, in whole or in part.

Amounts available for distribution must be paid within a maximum period of five (5) months from the year-end.

Each year, the Annual General Meeting shall decide on the allocation of the amounts available for distribution.

For each share class, where applicable, the SICAV may opt for one of the following formulas for each of the amounts mentioned in points 1) and 2):

- Accumulation only: distributable amounts shall be fully accumulated, with the exception of those amounts which are subject to compulsory payout by law;
- Income only: all amounts available for distribution shall be paid out to the nearest round number; the company may make interim dividend payouts;
- For SICAVs that would like to remain free to accumulate and/or pay out, and/or to retain distribution amounts, the General Meeting shall decide each year on the allocation of the amounts indicated in points 1) and 2).

Where applicable, the Board of Directors can decide, during the year, to pay out one or more interim dividends within the limit of the net income of each of the amounts indicated in 1) and 2) booked on the decision date, as well as their amounts and their distribution dates.

For the (i) income only and (ii) accumulation and/or income shares, the General Meeting shall decide each year how to allocate the capital gains (accumulated, paid out, and/or retained).

More precise details concerning the allocation of distributable amounts are provided in the prospectus.

## **TITRE 7 - EXTENSION - DISSOLUTION – LIQUIDATION**

### **Article 28 – Extension or early dissolution**

At any time and for any reason whatsoever, the board of directors may propose the extension, early dissolution, or liquidation of the SICAV to an extraordinary general meeting.

The issue of new shares and the buyback of shares by the SICAV from shareholders who so request shall cease on the day of the publication of the notice of the general meeting at which the dissolution and liquidation of the company are proposed or at the expiry of the duration of the company.

### **Article 29 – Liquidation**

The liquidation methods shall be established according to the provisions of Article L214-12 of the French monetary and financial code.

## **TITRE 8 – DISPUTES**

### **Article 30 - Jurisdiction - Election of Domicile**

Any disputes that may arise during the company's lifetime or its liquidation, either between the shareholders and the company or between the shareholders themselves, in respect of corporate matters shall be heard and decided in accordance with the law and subject to jurisdiction of the competent courts.

Articles of association updated following the Extraordinary General Meeting of 27 May 2019.

## Informazioni chiave per gli investitori

Il presente documento contiene le informazioni chiave di cui tutti gli investitori devono disporre in relazione a questo OICVM. Non si tratta di un documento promozionale. Le informazioni contenute nel presente documento, richieste dalla legge, hanno lo scopo di aiutare gli investitori a capire la natura di questo OIC e i rischi a esso connessi. Si raccomanda di prenderne visione, in modo da operare una scelta informata in merito all'opportunità di investire.



# R-co 4Change Green Bonds

Comparto della SICAV R-co  
Questo OICVM è gestito da Rothschild & Co Asset Management Europe  
Codice ISIN: FR0013513132 (Azione C EUR)

## Obiettivi e politica d'investimento

OICVM classificato nella categoria "Obbligazioni e altri titoli di debito internazionali", si propone come obiettivo di gestione di ottenere, su un orizzonte d'investimento raccomandato di almeno 3 anni, un rendimento, al netto delle spese di gestione, superiore a quello dell'indice di riferimento Bloomberg Barclays Global Green Bond Index: Corporate (privo di copertura e calcolato in euro, cedole incluse) (I31591EU Index), investendo per almeno il 75% in obbligazioni verdi.

L'obiettivo del comparto R-co Green Bonds è quello di contribuire al finanziamento della transizione ecologica ed energetica, investendo considerevolmente in "obbligazioni verdi" selezionate in base al rispetto dello standard di mercato attuale dei Green Bonds Principles (GBP), che poggia su quattro grandi assi quali l'utilizzo dei proventi, un processo di selezione e valutazione dei progetti, la gestione dei proventi e l'attività di reporting definiti dall'International Capital Market Association (ICMA).

In tal senso, per mezzo di fonti di dati esterne utilizzate dalla società di gestione nell'attuazione della strategia di investimento del comparto, la selezione delle "obbligazioni verdi" si basa sul rispetto di determinati criteri quali la natura e l'idoneità del progetto sostenibile da finanziare nonché gli obiettivi perseguiti in materia di salvaguardia ambientale. Inoltre, la trasparenza e la qualità della informazioni fornite circa l'evoluzione del finanziamento e del progetto sono parte integrante dei criteri di selezione delle obbligazioni verdi.

Il comparto investe:

- almeno il 75% del patrimonio netto in "obbligazioni verdi". Le obbligazioni verdi saranno emesse da società private o enti pubblici (per un massimo del 25% del patrimonio netto).

- al massimo il 25% del patrimonio netto in altre obbligazioni e titoli di credito internazionali (tra cui titoli di partecipazione, obbligazioni indicizzate, obbligazioni subordinate, di cui un massimo del 20% del patrimonio netto in obbligazioni contingent convertible) e obbligazioni convertibili (fino a un massimo del 10%) emessi/e o garantiti/e da uno Stato e/o da organismi di finanziamento internazionali; emittenti privati; e con qualsiasi scadenza.

In linea con la strategia globale del comparto, questo 25% del patrimonio è principalmente investito in obbligazioni di emittenti che adoperano pratiche non dannose per l'ambiente.

Il comparto potrà investire in titoli e obbligazioni emessi da Stati non membri dell'OCSE e/o da emittenti con sede legale in un paese non facente parte dell'OCSE fino a un massimo del 10% del suo patrimonio. Il comparto può inoltre investire fino al 10% del suo patrimonio in obbligazioni di tipo speculativo (dette ad alto rendimento) (titoli con rating CCC+, CCC e CCC- esclusi), fino al 10% in titoli privi di rating e fino a un massimo del 100% in obbligazioni callable e puttable. Il comparto investirà per un massimo del 25% del patrimonio netto in titoli di emittenti pubblici. Il comparto può detenere azioni (fino a un massimo del 10% del patrimonio netto).

Al fine di realizzare il proprio obiettivo di gestione, in particolare in termini di monitoraggio della sensibilità e del rischio di credito del portafoglio, il comparto potrà fare ricorso fino a un massimo del 100% del suo patrimonio, a titolo di copertura e/o esposizione, a strumenti finanziari a termine (in particolare derivati di credito, opzioni su future, swap di performance e cambi a termine), e a titoli che integrano derivati.

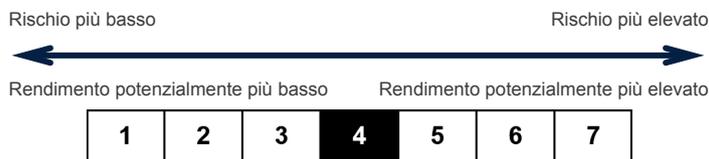
L'esposizione consolidata del portafoglio al mercato dei tassi (tramite titoli, OICVM, operazioni sul mercato a termine) consentirà di mantenere la sensibilità\* entro una forbice compresa fra 0 e 8. L'esposizione al rischio di cambio è al massimo del 50%.

Frequenza di valorizzazione: quotidiana. Centralizzazione degli ordini di sottoscrizione/rimborso (S/R): ogni giorno alle ore 12:00 presso Rothschild Martin Maurel. Esecuzione degli ordini: VP seguente (prezzo sconosciuto). Data di regolamento S/R: VP + 2 giorni lavorativi. Questa azione è un'azione di accumulazione. Il valore patrimoniale netto potrà essere aggiustato tramite un meccanismo di swing pricing.

Raccomandazione: questo OIC potrebbe non essere indicato per gli investitori che prevedono di ritirare il proprio capitale entro 3 anni.

\* La sensibilità obbligazionaria misura la variazione del prezzo di un'obbligazione a tasso fisso quando i tassi d'interesse evolvono. Maggiore è la durata residua di un'obbligazione, più sarà elevata la sua sensibilità.

## Profilo di rischio e di rendimento



• Il livello di rischio di questo comparto è di 4 (volatilità compresa tra il 5% e il 10%) e riflette principalmente il suo posizionamento sui prodotti di debito privati denominati in valute internazionali con una sensibilità compresa tra 0 e +8.

• I dati storici utilizzati per il calcolo di questo indicatore sintetico potrebbero non costituire un'indicazione affidabile circa il futuro profilo di rischio del comparto.

• La categoria di rischio associata al comparto non è garantita e potrebbe subire nel tempo variazioni sia positive che negative.

• Si noti che la categoria più bassa non indica un investimento privo di rischio.

• Il capitale non è garantito.

Altri rischi che rivestono importanza significativa e che non sono adeguatamente rilevati dall'indicatore:

• Rischio di credito: rischio che l'emittente di uno strumento finanziario non assolva, anche solo in parte, agli obblighi di rimborso del capitale e di pagamento degli interessi.

• Rischio di liquidità: rischio legato alla bassa liquidità dei mercati sottostanti, che li rende sensibili a movimenti significativi di acquisto/vendita.

• Influenza di tecniche quali i prodotti derivati: l'utilizzo dei prodotti derivati può amplificare l'impatto degli effetti dei movimenti di mercato del portafoglio.

Il verificarsi di uno di questi rischi potrà determinare una diminuzione del valore patrimoniale netto del comparto.

Per maggiori informazioni sul profilo di rischio e sui principali fattori che lo influenzano, si invita a consultare il prospetto.

## Spese

Le spese e le commissioni servono a coprire i costi operativi del comparto, inclusi quelli di commercializzazione e distribuzione delle azioni. Queste spese riducono il rendimento potenziale dell'investimento.

### Spese una tantum prelevate prima o dopo l'investimento

Spese di sottoscrizione	2,00%
Spese di rimborso	Non previste

Percentuali massime che possono essere prelevate dal vostro capitale prima che venga investito e/o prima che il rendimento dell'investimento venga distribuito. In alcuni casi, potreste pagare meno. L'investitore può ottenere presso il suo consulente o il suo distributore l'importo effettivo della spesa di sottoscrizione e di rimborso.

### Spese prelevate dall'OIC in un anno

Spese correnti (in % del patrimonio netto)	0,73%
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La percentuale delle spese correnti indicata corrisponde a una stima delle spese che saranno prelevate per l'esercizio in chiusura a dicembre 2020. Quest'importo può variare da un esercizio all'altro. Le spese correnti non comprendono le commissioni legate al rendimento e le spese d'intermediazione, eccetto il caso di spese di sottoscrizione e/o di rimborso pagate dall'OIC quando acquista o vende quote/azioni di un altro veicolo di gestione collettiva.

### Spese una tantum prelevate dall'OIC a determinate condizioni specifiche

Commissioni legate al rendimento	Non previste
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Per maggiori informazioni sulle spese, si rinvia alla sezione "Spese e commissioni" del prospetto di questo OICVM, disponibile su richiesta scritta all'indirizzo indicato nella sezione "Informazioni pratiche" sotto riportata.

## Risultati ottenuti nel passato

Dati insufficienti

Il comparto è stato creato nel 2020.

Le Azioni "C EUR" sono state create in data 09/07/2020.

I rendimenti sono stati calcolati in EUR.

I rendimenti ottenuti nel passato non sono indicativi dei risultati futuri. I dati di rendimento includono gli oneri sullo stesso gravanti (le commissioni di gestione).

## Informazioni pratiche

La banca depositaria dell'OICVM è Rothschild Martin Maurel.

Il prospetto completo dell'OICVM e le ultime relazioni annuali e periodiche sono disponibili in lingua francese e si possono ottenere a titolo gratuito entro otto giorni lavorativi, su semplice richiesta scritta, al seguente indirizzo:

Rothschild & Co Asset Management Europe - Service Commercial 29, avenue de Messine 75008 Paris.

Il valore patrimoniale netto verrà pubblicato sul sito internet della società di gestione: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

La normativa in materia fiscale dello Stato membro d'origine dell'OICVM potrebbe avere un impatto sulla situazione fiscale personale dell'investitore.

Rothschild & Co Asset Management Europe può essere ritenuta responsabile esclusivamente sulla base delle dichiarazioni contenute nel presente documento che risultano fuorvianti, inesatte o incoerenti rispetto alle corrispondenti parti del prospetto per l'OICVM.

Questo comparto può essere costituito da azioni di altro tipo. Maggiori informazioni su tali azioni sono disponibili nel prospetto dell'OICVM o sul seguente sito Internet: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

Il presente OICVM è autorizzato in Francia e regolamentato dall'*Autorité des Marchés Financiers*.

Rothschild & Co Asset Management Europe è autorizzata in Francia e regolamentata dall'*Autorité des Marchés Financiers*.

I dettagli della politica di remunerazione aggiornata della società di gestione sono disponibili sul sito internet [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com). Un esemplare cartaceo della politica di remunerazione è disponibile gratuitamente su richiesta presso la sede legale della società di gestione.

Le informazioni chiave per gli investitori qui riportate sono esatte alla data del 9 luglio 2020.

## Informazioni chiave per gli investitori

Il presente documento contiene le informazioni chiave di cui tutti gli investitori devono disporre in relazione a questo OICVM. Non si tratta di un documento promozionale. Le informazioni contenute nel presente documento, richieste dalla legge, hanno lo scopo di aiutare gli investitori a capire la natura di questo OIC e i rischi a esso connessi. Si raccomanda di prenderne visione, in modo da operare una scelta informata in merito all'opportunità di investire.



# R-co Profilo BPA Selection

Questo OICVM è gestito da Rothschild & Co Asset Management Europe  
Codice ISIN: FR0013304342 (Quota C EUR)

## Obiettivi e politica d'investimento

L'obiettivo di gestione del FCI consiste nell'ottenere, su un orizzonte d'investimento raccomandato di 3-4 anni, una performance al netto delle spese superiore a quella dell'EURIBOR 3 mesi +2%, con un obiettivo di volatilità annua massima compreso tra il 6% e il 9%, attraverso una gestione discrezionale in OICVM. La composizione dell'OIC può discostarsi significativamente dalla ripartizione dell'indice. L'obiettivo di gestione indicato è basato sulla realizzazione delle ipotesi di mercato formulate dalla società di gestione e non costituisce in alcun caso una promessa di rendimento, di performance o di volatilità del fondo. Ai fini della realizzazione dell'obiettivo di gestione, il FCI investirà almeno il 90% del suo patrimonio in una selezione di OICVM e osserverà l'allocazione globale specificata di seguito:

- Fino al 100% del patrimonio in OICVM attuando strategie direzionali, di cui:

o tra lo 0 e il 50% del patrimonio netto in OICVM di prodotti azionari di società a elevata, media e bassa capitalizzazione e di tutte le regioni geografiche;

o tra lo 0 e il 100% del patrimonio netto in OICVM di prodotti di tasso e prodotti monetari, nonché OIC la cui allocazione diversificata consenta l'esposizione ai prodotti di tasso e/o convertibili e/o azioni, investiti in particolare in titoli emessi da emittenti privati o pubblici con qualsiasi rating creditizio, inclusi titoli speculativi detti "high yield" e titoli privi di rating, e in obbligazioni subordinate, tra cui obbligazioni contingent convertible. L'esposizione indiretta del FCI a obbligazioni contingent convertible sarà compresa in una forbice massima dello 0-20% del rispettivo patrimonio netto.

- Fino al 100% in OICVM che attuano strategie di gestione di tipo "rendimento assoluto": le strategie di rendimento assoluto riuniscono le tecniche di gestione non tradizionali che hanno come obiettivo comune la ricerca di una performance decorrelata, o differenziata, rispetto a quella dei principali mercati (valute, obbligazioni, azioni o indice di contratti a termine su materie prime). Il FCI investe in particolare in OICVM che ricorrono a strategie a rendimento assoluto di tipo "long/short" (fino al 50% del patrimonio netto), "arbitrage/relative value" (fino al 30% del patrimonio netto), "Global macro" (fino al 30% del patrimonio netto), "sistematico" (fino al 30%

del patrimonio netto) e "Situazioni speciali" (fino al 30% del patrimonio netto).

Il FCI potrà essere esposto indirettamente ai rischi connessi alle basse capitalizzazioni, fino al 50% del patrimonio netto. Inoltre, potrà essere esposto in misura indiretta fino al 100% del suo patrimonio ai paesi non OCSE nonché ai titoli di credito con rating high yield, detti speculativi. Infine, il FCI potrà essere esposto indirettamente, tramite l'investimento in OIC, alle materie prime fino a un massimo del 30% del patrimonio netto.

La gestione finanziaria della componente investita in OICVM direzionali sarà garantita tramite delega da BANCA PATRIMONI SELLA & C. SPA. La gestione della componente investita in OICVM a rendimento assoluto sarà garantita dalla società di gestione. Ai fini dell'allocazione tra queste due componenti, quest'ultima si avvarrà delle raccomandazioni di BANCA PATRIMONI SELLA & C. SPA. L'allocazione tra le categorie di attivi avrà luogo in modo discrezionale, tentando sempre di non eccedere una volatilità annua massima del 6-9%. In via eccezionale, la società di gestione potrà ridurre l'esposizione alle strategie di gestione menzionate sopra, in caso di previsioni sfavorevoli e a favore di strategie di gestione monetarie, fino a un massimo del 100% del patrimonio netto.

Il FCI potrà ricorrere a strumenti finanziari a termine entro un limite del 100% del patrimonio per scopi di copertura contro il rischio azionario, di tasso e di cambio. L'esposizione massima consolidata del portafoglio (attraverso titoli in via diretta, tramite OIC e indotta dall'utilizzo di strumenti derivati) sarà limitata al 200% del patrimonio netto. Esistenza di un potenziale rischio di cambio per i residenti nell'Eurozona fino al 70% del patrimonio netto del FCI. Il FCI potrà investire fino a un massimo del 10% del patrimonio netto in titoli di credito per esigenze di gestione della propria liquidità.

Frequenza di valorizzazione: quotidiana. Centralizzazione degli ordini di sottoscrizione/rimborso (S/R): il giorno precedente alle 12:00 presso CACEIS Bank. Esecuzione degli ordini: VP del giorno lavorativo seguente. Data di regolamento S/R: VP + 3 giorni lavorativi. La società di gestione potrà attuare un sistema di limitazione dei rimborsi secondo le condizioni descritte nel prospetto. Questa quota è una quota di accumulazione.

Raccomandazione: questo OIC potrebbe non essere indicato per gli investitori che prevedono di ritirare il proprio capitale entro 3 anni.

## Profilo di rischio e di rendimento



• Il livello di rischio di questo OICVM è di 4 (volatilità compresa tra il 5% e il 10%) e riflette principalmente una politica di gestione discrezionale che coniuga al contempo (i) una strategia absolute return, (ii) una strategia di gestione direzionale sui mercati azionari, dei prodotti di tasso e sui cambi.

• I dati storici utilizzati per il calcolo di questo indicatore sintetico potrebbero non costituire un'indicazione affidabile circa il futuro profilo di rischio dell'OICVM.

• La categoria di rischio associata all'OICVM non è garantita e potrebbe subire nel tempo variazioni in entrambi i sensi.

• Si noti che la categoria più bassa non indica un investimento privo di rischio.

• Il capitale non è garantito.

Altri rischi che rivestono importanza significativa e che non sono adeguatamente rilevati dall'indicatore:

• Rischio di credito: rischio che l'emittente di uno strumento finanziario non assolva, anche solo in parte, agli obblighi di rimborso del capitale e di pagamento degli interessi.

• Rischio di controparte: rischio di insolvenza di una controparte a un'operazione over-the-counter (swap, pensione). Tali rischi possono incidere negativamente sul valore patrimoniale dell'OIC.

• Rischio di liquidità: rischio legato alla bassa liquidità dei mercati sottostanti, che li rende sensibili a movimenti significativi di acquisto/vendita.

• Influenza di tecniche quali i prodotti derivati: l'utilizzo dei prodotti derivati può amplificare l'impatto degli effetti dei movimenti di mercato del portafoglio.

Il verificarsi di uno di questi rischi potrà determinare una diminuzione del valore patrimoniale netto dell'OIC.

Per maggiori informazioni sul profilo di rischio e sui principali fattori che lo influenzano, si invita a consultare il prospetto.

## Spese

Le spese e le commissioni servono a coprire i costi operativi dell'OICVM, inclusi quelli di commercializzazione e distribuzione delle quote. Queste spese riducono il rendimento potenziale dell'investimento.

### Spese una tantum prelevate prima o dopo l'investimento

Spese di sottoscrizione	3,00%
Spese di rimborso	Non previste

Percentuali massime che possono essere prelevate dal vostro capitale prima che venga investito e/o prima che il rendimento dell'investimento venga distribuito. In alcuni casi, potreste pagare meno. L'investitore può ottenere presso il suo consulente o il suo distributore l'importo effettivo della spesa di sottoscrizione e di rimborso.

### Spese prelevate dall'OIC in un anno

Spese correnti (in % del patrimonio netto)	2,74%
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La percentuale delle spese correnti indicata si basa sulle spese dell'esercizio precedente chiuso a dicembre 2019. Quest'importo può variare da un esercizio all'altro. Le spese correnti non comprendono le commissioni legate al rendimento e le spese d'intermediazione, eccetto il caso di spese di sottoscrizione e/o di rimborso pagate dall'OIC quando acquista o vende quote/azioni di un altro veicolo di gestione collettiva.

### Spese una tantum prelevate dall'OIC a determinate condizioni specifiche

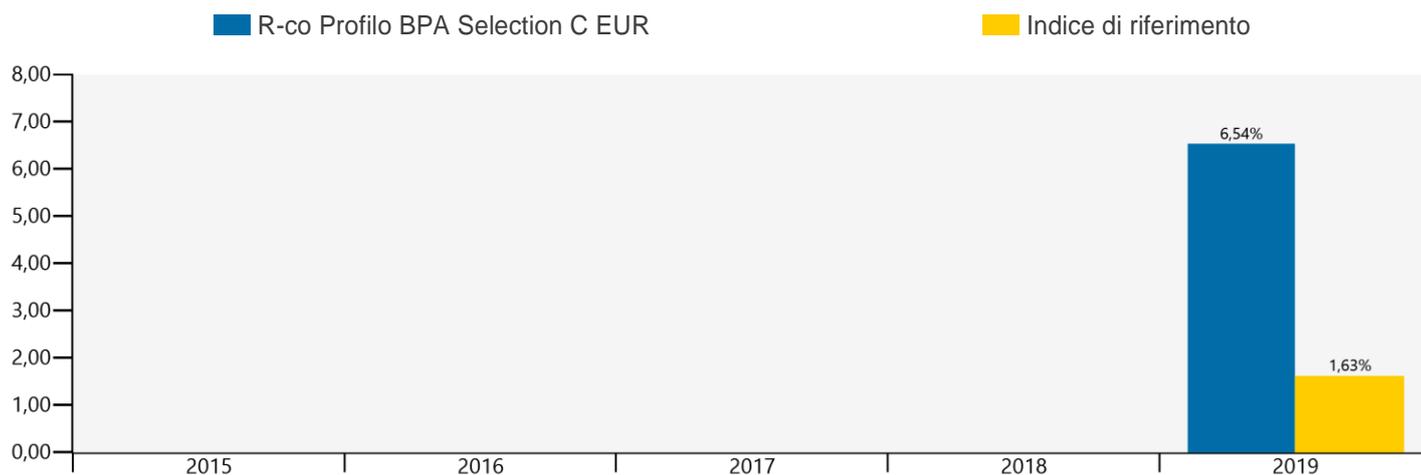
Commissioni legate al rendimento	0%
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10% del risultato annuo positivo, al netto delle spese, superiore alla performance dell'indice EURIBOR 3 mesi + 2%, e a condizione che sia superato il Valore patrimoniale di fine di esercizio contabile più alto precedentemente sottoposto a prelievo.

La percentuale delle commissioni legate al rendimento può variare da un esercizio all'altro in funzione della formula descritta sotto.

Per maggiori informazioni sulle spese, si rinvia alla sezione "Spese e commissioni" del prospetto di questo OICVM, disponibile su richiesta scritta all'indirizzo indicato nella sezione "Informazioni pratiche" sotto riportata.

## Risultati ottenuti nel passato



Questo OICVM è stato creato nel 2018.

La quota "C EUR" è stata creata in data 21/feb/2018.

I rendimenti sono stati calcolati in EUR.

I rendimenti ottenuti nel passato non sono indicativi dei risultati futuri. I dati di rendimento includono gli oneri sullo stesso gravanti (le commissioni di gestione).

## Informazioni pratiche

La banca depositaria dell'OICVM è CACEIS Bank.

Il prospetto completo dell'OICVM e le ultime relazioni annuali e periodiche sono disponibili in lingua francese e si possono ottenere a titolo gratuito entro otto giorni lavorativi, su semplice richiesta scritta, al seguente indirizzo:

Rothschild & Co Asset Management Europe - Service Commercial 29, avenue de Messine 75008 Paris.

Il valore patrimoniale netto verrà pubblicato sul sito internet della società di gestione: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

La normativa in materia fiscale dello Stato membro d'origine dell'OICVM potrebbe avere un impatto sulla situazione fiscale personale dell'investitore.

Rothschild & Co Asset Management Europe può essere ritenuta responsabile esclusivamente sulla base delle dichiarazioni contenute nel presente documento che risultano fuorvianti, inesatte o incoerenti rispetto alle corrispondenti parti del prospetto per l'OICVM.

Questo OICVM può essere costituito da altri tipi di quote. Maggiori informazioni su tali quote sono disponibili nel prospetto dell'OICVM o sul seguente sito Internet: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

Il presente OICVM è autorizzato in Francia e regolamentato dall'*Autorité des Marchés Financiers*.

Rothschild & Co Asset Management Europe è autorizzata in Francia e regolamentata dall'*Autorité des Marchés Financiers*.

I dettagli della politica di remunerazione aggiornata della società di gestione sono disponibili sul sito internet [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com). Un esemplare cartaceo della politica di remunerazione è disponibile gratuitamente su richiesta presso la sede legale della società di gestione.

Le informazioni chiave per gli investitori qui riportate sono esatte alla data del 30 giugno 2020.

## Informazioni chiave per gli investitori

Il presente documento contiene le informazioni chiave di cui tutti gli investitori devono disporre in relazione a questo OICVM. Non si tratta di un documento promozionale. Le informazioni contenute nel presente documento, richieste dalla legge, hanno lo scopo di aiutare gli investitori a capire la natura di questo OIC e i rischi a esso connessi. Si raccomanda di prenderne visione, in modo da operare una scelta informata in merito all'opportunità di investire.



# R-co Profilo BPA Selection

Questo OICVM è gestito da Rothschild & Co Asset Management Europe  
Codice ISIN: FR0013304367 (Quota S EUR)

## Obiettivi e politica d'investimento

L'obiettivo di gestione del FCI consiste nell'ottenere, su un orizzonte d'investimento raccomandato di 3-4 anni, una performance al netto delle spese superiore a quella dell'EURIBOR 3 mesi +3%, con un obiettivo di volatilità annua massima compreso tra il 6% e il 9%, attraverso una gestione discrezionale in OICVM. La composizione dell'OIC può discostarsi significativamente dalla ripartizione dell'indice. L'obiettivo di gestione indicato è basato sulla realizzazione delle ipotesi di mercato formulate dalla società di gestione e non costituisce in alcun caso una promessa di rendimento, di performance o di volatilità del fondo. Ai fini della realizzazione dell'obiettivo di gestione, il FCI investirà almeno il 90% del suo patrimonio in una selezione di OICVM e osserverà l'allocazione globale specificata di seguito:

- Fino al 100% del patrimonio in OICVM attuando strategie direzionali, di cui:

o tra lo 0 e il 50% del patrimonio netto in OICVM di prodotti azionari di società a elevata, media e bassa capitalizzazione e di tutte le regioni geografiche;

o tra lo 0 e il 100% del patrimonio netto in OICVM di prodotti di tasso e prodotti monetari, nonché OIC la cui allocazione diversificata consenta l'esposizione ai prodotti di tasso e/o convertibili e/o azioni, investiti in particolare in titoli emessi da emittenti privati o pubblici con qualsiasi rating creditizio, inclusi titoli speculativi detti "high yield" e titoli privi di rating, e in obbligazioni subordinate, tra cui obbligazioni contingent convertible. L'esposizione indiretta del FCI a obbligazioni contingent convertible sarà compresa in una forbice massima dello 0-20% del rispettivo patrimonio netto.

- Fino al 100% in OICVM che attuano strategie di gestione di tipo "rendimento assoluto": le strategie di rendimento assoluto riuniscono le tecniche di gestione non tradizionali che hanno come obiettivo comune la ricerca di una performance decorrelata, o differenziata, rispetto a quella dei principali mercati (valute, obbligazioni, azioni o indice di contratti a termine su materie prime). Il FCI investe in particolare in OICVM che ricorrono a strategie a rendimento assoluto di tipo "long/short" (fino al 50% del patrimonio netto), "arbitrage/relative value" (fino al 30% del patrimonio netto), "Global macro" (fino al 30% del patrimonio netto), "sistematico" (fino al 30% del patrimonio netto) e "Situazioni speciali" (fino al 30% del patrimonio netto).

Il FCI potrà essere esposto indirettamente ai rischi connessi alle basse capitalizzazioni, fino al 50% del patrimonio netto. Inoltre, potrà essere esposto in misura indiretta fino al 100% del suo patrimonio ai paesi non OCSE nonché ai titoli di credito con rating high yield, detti speculativi. Infine, il FCI potrà essere esposto indirettamente, tramite l'investimento in OIC, alle materie prime fino a un massimo del 30% del patrimonio netto.

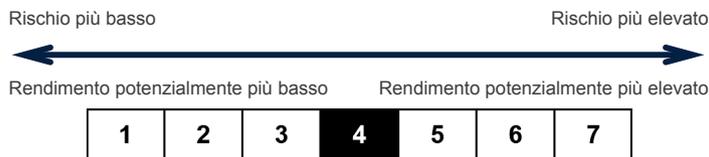
La gestione finanziaria della componente investita in OICVM direzionali sarà garantita tramite delega da BANCA PATRIMONI SELLA & C. SPA. La gestione della componente investita in OICVM a rendimento assoluto sarà garantita dalla società di gestione. Ai fini dell'allocazione tra queste due componenti, quest'ultima si avvarrà delle raccomandazioni di BANCA PATRIMONI SELLA & C. SPA. L'allocazione tra le categorie di attivi avrà luogo in modo discrezionale, tentando sempre di non eccedere una volatilità annua massima del 6-9%. In via eccezionale, la società di gestione potrà ridurre l'esposizione alle strategie di gestione menzionate sopra, in caso di previsioni sfavorevoli e a favore di strategie di gestione monetarie, fino a un massimo del 100% del patrimonio netto.

Il FCI potrà ricorrere a strumenti finanziari a termine entro un limite del 100% del patrimonio per scopi di copertura contro il rischio azionario, di tasso e di cambio. L'esposizione massima consolidata del portafoglio (attraverso titoli in via diretta, tramite OIC e indotta dall'utilizzo di strumenti derivati) sarà limitata al 200% del patrimonio netto. Esistenza di un potenziale rischio di cambio per i residenti nell'Eurozona fino al 70% del patrimonio netto del FCI. Il FCI potrà investire fino a un massimo del 10% del patrimonio netto in titoli di credito per esigenze di gestione della propria liquidità.

Frequenza di valorizzazione: quotidiana. Centralizzazione degli ordini di sottoscrizione/rimborso (S/R): il giorno precedente alle 12:00 presso CACEIS Bank. Esecuzione degli ordini: VP del giorno lavorativo seguente. Data di regolamento S/R: VP + 3 giorni lavorativi. La società di gestione potrà attuare un sistema di limitazione dei rimborsi secondo le condizioni descritte nel prospetto. Questa quota è una quota di accumulazione.

Raccomandazione: questo OIC potrebbe non essere indicato per gli investitori che prevedono di ritirare il proprio capitale entro 3 anni.

## Profilo di rischio e di rendimento



• Il livello di rischio di questo OICVM è di 4 (volatilità compresa tra il 5% e il 10%) e riflette principalmente una politica di gestione discrezionale che coniuga al contempo (i) una strategia absolute return, (ii) una strategia di gestione direzionale sui mercati azionari, dei prodotti di tasso e sui cambi.

• I dati storici utilizzati per il calcolo di questo indicatore sintetico potrebbero non costituire un'indicazione affidabile circa il futuro profilo di rischio dell'OICVM.

• La categoria di rischio associata all'OICVM non è garantita e potrebbe subire nel tempo variazioni in entrambi i sensi.

• Si noti che la categoria più bassa non indica un investimento privo di rischio.

• Il capitale non è garantito.

Altri rischi che rivestono importanza significativa e che non sono adeguatamente rilevati dall'indicatore:

• Rischio di credito: rischio che l'emittente di uno strumento finanziario non assolva, anche solo in parte, agli obblighi di rimborso del capitale e di pagamento degli interessi.

• Rischio di controparte: rischio di insolvenza di una controparte a un'operazione over-the-counter (swap, pensione). Tali rischi possono incidere negativamente sul valore patrimoniale dell'OIC.

• Rischio di liquidità: rischio legato alla bassa liquidità dei mercati sottostanti, che li rende sensibili a movimenti significativi di acquisto/vendita.

• Influenza di tecniche quali i prodotti derivati: l'utilizzo dei prodotti derivati può amplificare l'impatto degli effetti dei movimenti di mercato del portafoglio.

Il verificarsi di uno di questi rischi potrà determinare una diminuzione del valore patrimoniale netto dell'OIC.

Per maggiori informazioni sul profilo di rischio e sui principali fattori che lo influenzano, si invita a consultare il prospetto.

## Spese

Le spese e le commissioni servono a coprire i costi operativi dell'OICVM, inclusi quelli di commercializzazione e distribuzione delle quote. Queste spese riducono il rendimento potenziale dell'investimento.

### Spese una tantum prelevate prima o dopo l'investimento

Spese di sottoscrizione	3,00%
Spese di rimborso	Non previste

Percentuali massime che possono essere prelevate dal vostro capitale prima che venga investito e/o prima che il rendimento dell'investimento venga distribuito. In alcuni casi, potreste pagare meno. L'investitore può ottenere presso il suo consulente o il suo distributore l'importo effettivo della spesa di sottoscrizione e di rimborso.

### Spese prelevate dall'OIC in un anno

Spese correnti (in % del patrimonio netto)	1,74%
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La percentuale delle spese correnti indicata si basa sulle spese dell'esercizio precedente chiuso a dicembre 2019. Quest'importo può variare da un esercizio all'altro. Le spese correnti non comprendono le commissioni legate al rendimento e le spese d'intermediazione, eccetto il caso di spese di sottoscrizione e/o di rimborso pagate dall'OIC quando acquista o vende quote/azioni di un altro veicolo di gestione collettiva.

### Spese una tantum prelevate dall'OIC a determinate condizioni specifiche

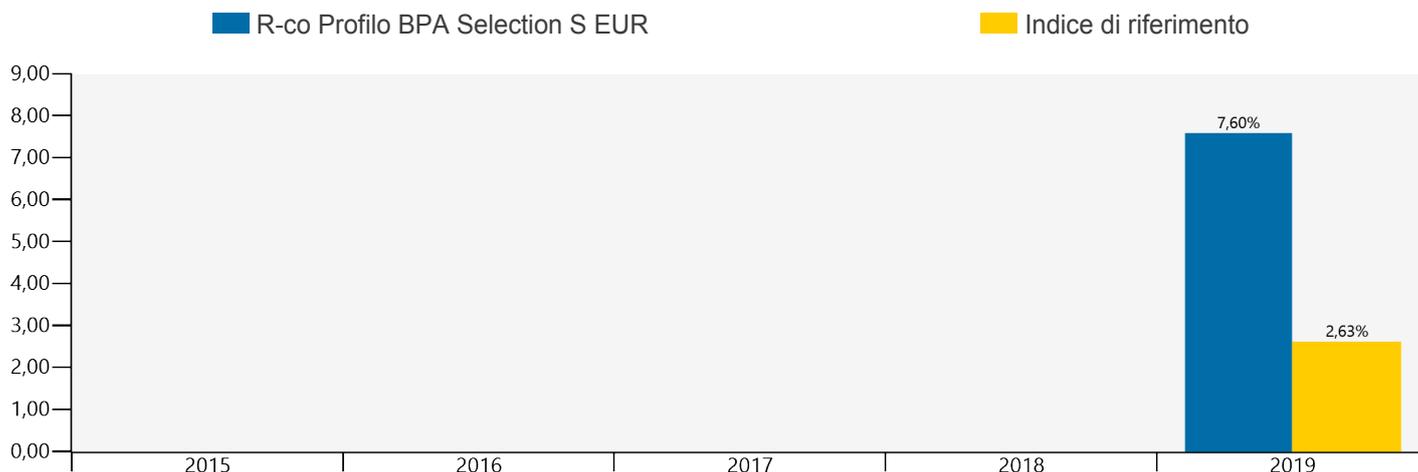
Commissioni legate al rendimento	0%
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10% del risultato annuo positivo, al netto delle spese, superiore alla performance dell'indice EURIBOR 3 mesi + 3%, e a condizione che sia superato il Valore patrimoniale di fine di esercizio contabile più alto precedentemente sottoposto a prelievo.

La percentuale delle commissioni legate al rendimento può variare da un esercizio all'altro in funzione della formula descritta sotto.

Per maggiori informazioni sulle spese, si rinvia alla sezione "Spese e commissioni" del prospetto di questo OICVM, disponibile su richiesta scritta all'indirizzo indicato nella sezione "Informazioni pratiche" sotto riportata.

## Risultati ottenuti nel passato



Questo OICVM è stato creato nel **2018**.

La quota "S EUR" è stata creata in data 21/02/2018.

I rendimenti sono stati calcolati in EUR.

I rendimenti ottenuti nel passato non sono indicativi dei risultati futuri. I dati di rendimento includono gli oneri sullo stesso gravanti (le commissioni di gestione).

## Informazioni pratiche

La banca depositaria dell'OICVM è CACEIS Bank.

Il prospetto completo dell'OICVM e le ultime relazioni annuali e periodiche sono disponibili in lingua francese e si possono ottenere a titolo gratuito entro otto giorni lavorativi, su semplice richiesta scritta, al seguente indirizzo:

Rothschild & Co Asset Management Europe - Service Commercial 29, avenue de Messine 75008 Paris.

Il valore patrimoniale netto verrà pubblicato sul sito internet della società di gestione: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

La normativa in materia fiscale dello Stato membro d'origine dell'OICVM potrebbe avere un impatto sulla situazione fiscale personale dell'investitore.

Rothschild & Co Asset Management Europe può essere ritenuta responsabile esclusivamente sulla base delle dichiarazioni contenute nel presente documento che risultano fuorvianti, inesatte

o incoerenti rispetto alle corrispondenti parti del prospetto per l'OICVM.

Questo OICVM può essere costituito da altri tipi di quote. Maggiori informazioni su tali quote sono disponibili nel prospetto dell'OICVM o sul seguente sito Internet: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

Il presente OICVM è autorizzato in Francia e regolamentato dall'*Autorité des Marchés Financiers*.

Rothschild & Co Asset Management Europe è autorizzata in Francia e regolamentata dall'*Autorité des Marchés Financiers*.

I dettagli della politica di remunerazione aggiornata della società di gestione sono disponibili sul sito internet [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com). Un esemplare cartaceo della politica di remunerazione è disponibile gratuitamente su richiesta presso la sede legale della società di gestione.

Le informazioni chiave per gli investitori qui riportate sono esatte alla data del 30 giugno 2020.

## Informazioni chiave per gli investitori

Il presente documento contiene le informazioni chiave di cui tutti gli investitori devono disporre in relazione a questo OICVM. Non si tratta di un documento promozionale. Le informazioni contenute nel presente documento, richieste dalla legge, hanno lo scopo di aiutare gli investitori a capire la natura di questo OIC e i rischi a esso connessi. Si raccomanda di prenderne visione, in modo da operare una scelta informata in merito all'opportunità di investire.



# R-co Target 2024 High Yield

Questo OICVM è gestito da Rothschild & Co Asset Management Europe  
Codice ISIN: FR0013269412 (Azione C EUR)

## Obiettivi e politica d'investimento

L'obiettivo di gestione della SICAV è ottenere per tutto l'orizzonte d'investimento raccomandato (dalla data di creazione della SICAV fino al 31 dicembre 2024), un rendimento annualizzato al netto delle spese di gestione superiore al 2,98% per la Classe di azioni C EUR. La redditività sarà prodotta dalla valutazione dei coupon riscossi delle obbligazioni presenti in portafoglio e dal rimborso delle obbligazioni giunte a scadenza. L'obiettivo di gestione si fonda sull'ipotesi di una detenzione delle azioni della SICAV su tutto l'orizzonte d'investimento raccomandato e sulla realizzazione delle previsioni di mercato definite dalla Società di gestione alla data dell'autorizzazione della SICAV da parte dell'*Autorité des Marchés Financiers*. Tali ipotesi comprendono un rischio di insolvenza unito al tasso di copertura di uno o più emittenti presenti in portafoglio e prendono in considerazione l'eventuale costo della copertura contro il rischio di cambio. Se questo rischio si concretizzasse in una proporzione maggiore rispetto a quella prevista, l'obiettivo di gestione potrebbe non essere raggiunto. Tale obiettivo non costituisce in alcun caso una promessa di rendimento o risultato della SICAV.

La SICAV non dispone di indice di riferimento. Si adotta una strategia d'investimento carry ("buy and hold"). La SICAV conserverà i suoi titoli, salvo eventi straordinari (quali un rischio di credito giudicato elevato dalla società di gestione su un emittente inadempiente o altro emittente), fino alla scadenza. La composizione del portafoglio della SICAV di svolgerà in 3 fasi: (i) un periodo di costituzione del portafoglio di circa sei mesi dal lancio della SICAV nel corso del quale il portafoglio sarà composto da titoli obbligazionari con scadenza inferiore o uguale al 30 giugno 2025 e da titoli del mercato monetario, (ii) un periodo di detenzione (uguale all'orizzonte d'investimento raccomandato) nel corso del quale il portafoglio sarà principalmente composto da titoli obbligazionari con scadenza inferiore o uguale al 30 giugno 2025 e (iii) un periodo di monetizzazione a partire dal 1° gennaio 2025 nel corso del quale i titoli obbligazionari in scadenza saranno sostituiti da titoli del mercato monetario.

La SICAV investirà tra l'80% e il 100% dell'attivo netto in obbligazioni e altri titoli di credito emessi in tutte le valute dei paesi dell'OCSE la cui vita residua al 31 dicembre 2024 sarà inferiore o uguale a 6 mesi (vale a dire una scadenza inferiore o uguale al 30 giugno 2025), di cui al massimo il 10% dell'attivo netto in obbligazioni convertibili. La SICAV potrà anche investire fino al 15% in titoli subordinati (Lower Tier 2 eccetto nelle

obbligazioni contingent convertible). I titoli di emittenti privati potranno rappresentare fino al 100% dell'attivo netto, di cui al massimo il 50% di emittenti del settore finanziario; i titoli emessi da enti pubblici, sovranazionali o sovrani potranno rappresentare fino al 20% dell'attivo. I titoli potranno provenire da qualunque zona geografica, compresi i paesi emergenti, tuttavia le emissioni di società la cui sede legale non si trova in un paese dell'OCSE saranno limitate al 20% dell'attivo netto. Le obbligazioni potranno presentare qualsiasi rating creditizio: fino al 100% dell'attivo netto in titoli speculativi, fino al 20% in titoli investment grade (eccetto strumenti del mercato monetario) e fino al 30% in titoli privi di rating. I rating presi in considerazione sono quelli attribuiti dalle agenzie tradizionali o da altri organismi giudicati equivalenti dalla Società di gestione. Quest'ultima non si avvale sistematicamente delle agenzie di rating. La SICAV potrà investire fino al 10% dell'attivo netto in OIC e/o titoli del mercato monetario per la gestione della propria tesoreria.

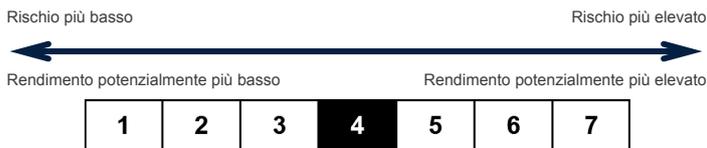
La SICAV potrà utilizzare strumenti finanziari a termine nell'ambito della gestione della sua esposizione ai rischi di credito e di cambio. I derivati di credito potranno essere utilizzati a fini di copertura entro il limite del 100% dell'attivo. La sensibilità\* globale del portafoglio al rischio di tasso, inclusa attraverso gli strumenti derivati, sarà compresa tra 0 e 7. Tale sensibilità\* sarà ridotta con l'avvicinarsi della scadenza. La SICAV coprirà il rischio di cambio contro la sua valuta di riferimento (l'euro) attraverso l'utilizzo di strumenti derivati in modo che l'esposizione consolidata al rischio di cambio non superi il 10% dell'attivo netto.

Frequenza di valorizzazione: quotidiana. A partire dal 30 aprile 2020 non sarà più possibile effettuare nuove sottoscrizioni in questa categoria d'azione. Centralizzazione degli ordini di rimborso: ogni giorno alle ore 12:00 presso Rothschild Martin Maurel. Esecuzione degli ordini: VP seguente (prezzo sconosciuto). Data di regolamento dei rimborsi: VP + 2 giorni lavorativi. Questa azione è un'azione di accumulazione.

Raccomandazione: questo OIC potrebbe non essere indicato per gli investitori che prevedono di ritirare il proprio capitale entro 7 anni.

\* La sensibilità obbligazionaria misura la variazione del prezzo di un'obbligazione a tasso fisso quando i tassi d'interesse evolvono. Maggiore è la durata residua di un'obbligazione, più sarà elevata la sua sensibilità.

## Profilo di rischio e di rendimento



• Il livello di rischio di questo OICVM è di 4 (volatilità compresa tra il 5% e il 10%) e riflette principalmente il suo posizionamento sul rischio di credito e sui prodotti di tasso la cui vita residua al 31 dicembre 2024 sarà inferiore o uguale a 6 mesi.

• I dati storici utilizzati per il calcolo di questo indicatore sintetico potrebbero non costituire un'indicazione affidabile circa il futuro profilo di rischio dell'OICVM.

• La categoria di rischio associata all'OICVM non è garantita e potrebbe subire nel tempo variazioni in entrambi i sensi.

• Si noti che la categoria più bassa non indica un investimento privo di rischio.

• Il capitale non è garantito.

Altri rischi che rivestono importanza significativa e che non sono adeguatamente rilevati dall'indicatore:

• Rischio di credito: rischio che l'emittente di uno strumento finanziario non assolva, anche solo in parte, agli obblighi di rimborso del capitale e di pagamento degli interessi.

• Rischio di controparte: rischio di insolvenza di una controparte a un'operazione over-the-counter (swap, pensione). Tali rischi possono incidere negativamente sul valore patrimoniale dell'OIC.

• Rischio di liquidità: rischio legato alla bassa liquidità dei mercati sottostanti, che li rende sensibili a movimenti significativi di acquisto/vendita.

Il verificarsi di uno di questi rischi potrà determinare una diminuzione del valore patrimoniale netto dell'OIC.

Per maggiori informazioni sul profilo di rischio e sui principali fattori che lo influenzano, si invita a consultare il prospetto.

## Spese

Le spese e le commissioni servono a coprire i costi operativi dell'OICVM, inclusi quelli di commercializzazione e distribuzione delle azioni. Queste spese riducono il rendimento potenziale dell'investimento.

### Spese una tantum prelevate prima o dopo l'investimento

Spese di sottoscrizione	2,50%
Spese di rimborso	Non previste

Percentuali massime che possono essere prelevate dal vostro capitale prima che venga investito e/o prima che il rendimento dell'investimento venga distribuito. In alcuni casi, potreste pagare meno. L'investitore può ottenere presso il suo consulente o il suo distributore l'importo effettivo della spesa di sottoscrizione e di rimborso.

### Spese prelevate dall'OIC in un anno

Spese correnti (in % del patrimonio netto)	1,03%
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La percentuale delle spese correnti indicata si basa sulle spese dell'esercizio precedente chiuso a dicembre 2019. Quest'importo può variare da un esercizio all'altro. Le spese correnti non comprendono le commissioni legate al rendimento e le spese d'intermediazione, eccetto il caso di spese di sottoscrizione e/o di rimborso pagate dall'OIC quando acquista o vende quote/azioni di un altro veicolo di gestione collettiva.

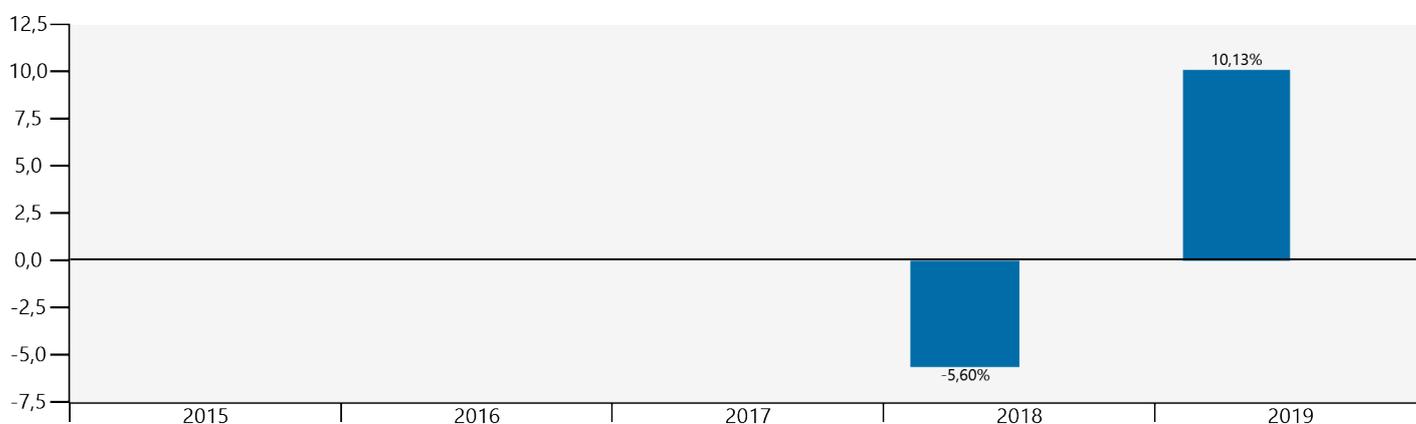
### Spese una tantum prelevate dall'OIC a determinate condizioni specifiche

Commissioni legate al rendimento	Non previste
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Per maggiori informazioni sulle spese, si rinvia alla sezione "Spese e commissioni" del prospetto di questo OICVM, disponibile su richiesta scritta all'indirizzo indicato nella sezione "Informazioni pratiche" sotto riportata.

## Risultati ottenuti nel passato

■ R-co Target 2024 High Yield C EUR



Questo OICVM è stato creato nel 2017.

Le Azioni "C EUR" sono state create in data 27/nov/2017.

I rendimenti sono stati calcolati in EUR.

I rendimenti ottenuti nel passato non sono indicativi dei risultati futuri. I dati di rendimento includono gli oneri sullo stesso gravanti (le commissioni di gestione).

## Informazioni pratiche

La banca depositaria dell'OICVM è Rothschild Martin Maurel.

Il prospetto completo dell'OICVM e le ultime relazioni annuali e periodiche sono disponibili in lingua francese e si possono ottenere a titolo gratuito entro otto giorni lavorativi, su semplice richiesta scritta, al seguente indirizzo:

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La normativa in materia fiscale dello Stato membro d'origine dell'OICVM potrebbe avere un impatto sulla situazione fiscale personale dell'investitore. Rothschild & Co Asset Management Europe può essere ritenuta responsabile esclusivamente sulla base delle dichiarazioni contenute nel presente documento che risultano fuorvianti, inesatte o incoerenti rispetto alle corrispondenti parti del prospetto per l'OICVM.

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Le informazioni chiave per gli investitori qui riportate sono esatte alla data del 23 settembre 2020.

## Informazioni chiave per gli investitori

Il presente documento contiene le informazioni chiave di cui tutti gli investitori devono disporre in relazione a questo OICVM. Non si tratta di un documento promozionale. Le informazioni contenute nel presente documento, richieste dalla legge, hanno lo scopo di aiutare gli investitori a capire la natura di questo OIC e i rischi a esso connessi. Si raccomanda di prenderne visione, in modo da operare una scelta informata in merito all'opportunità di investire.



# R-co Target 2024 High Yield

Questo OICVM è gestito da Rothschild & Co Asset Management Europe  
Codice ISIN: FR0013269446 (Azione R EUR)

## Obiettivi e politica d'investimento

L'obiettivo di gestione della SICAV è ottenere per tutto l'orizzonte d'investimento raccomandato (dalla data di creazione della SICAV fino al 31 dicembre 2024), un rendimento annualizzato al netto delle spese di gestione superiore al 2,38% per la Classe di azioni R EUR. La redditività sarà prodotta dalla valutazione dei coupon riscossi delle obbligazioni presenti in portafoglio e dal rimborso delle obbligazioni giunte a scadenza. L'obiettivo di gestione si fonda sull'ipotesi di una detenzione delle azioni della SICAV su tutto l'orizzonte d'investimento raccomandato e sulla realizzazione delle previsioni di mercato definite dalla Società di gestione alla data dell'autorizzazione della SICAV da parte dell'*Autorité des Marchés Financiers*. Tali ipotesi comprendono un rischio di insolvenza unito al tasso di copertura di uno o più emittenti presenti in portafoglio e prendono in considerazione l'eventuale costo della copertura contro il rischio di cambio. Se questo rischio si concretizzasse in una proporzione maggiore rispetto a quella prevista, l'obiettivo di gestione potrebbe non essere raggiunto. Tale obiettivo non costituisce in alcun caso una promessa di rendimento o risultato della SICAV.

La SICAV non dispone di indice di riferimento. Si adotta una strategia d'investimento carry ("buy and hold"). La SICAV conserverà i suoi titoli, salvo eventi straordinari (quali un rischio di credito giudicato elevato dalla società di gestione su un emittente inadempiente o altro emittente), fino alla scadenza. La composizione del portafoglio della SICAV di svolgerà in 3 fasi: (i) un periodo di costituzione del portafoglio di circa sei mesi dal lancio della SICAV nel corso del quale il portafoglio sarà composto da titoli obbligazionari con scadenza inferiore o uguale al 30 giugno 2025 e da titoli del mercato monetario, (ii) un periodo di detenzione (uguale all'orizzonte d'investimento raccomandato) nel corso del quale il portafoglio sarà principalmente composto da titoli obbligazionari con scadenza inferiore o uguale al 30 giugno 2025 e (iii) un periodo di monetizzazione a partire dal 1° gennaio 2025 nel corso del quale i titoli obbligazionari in scadenza saranno sostituiti da titoli del mercato monetario.

La SICAV investirà tra l'80% e il 100% dell'attivo netto in obbligazioni e altri titoli di credito emessi in tutte le valute dei paesi dell'OCSE la cui vita residua al 31 dicembre 2024 sarà inferiore o uguale a 6 mesi (vale a dire una scadenza inferiore o uguale al 30 giugno 2025), di cui al massimo il 10% dell'attivo netto in obbligazioni convertibili. La SICAV potrà anche investire fino al 15% in titoli subordinati (Lower Tier 2 eccetto nelle

obbligazioni contingent convertible). I titoli di emittenti privati potranno rappresentare fino al 100% dell'attivo netto, di cui al massimo il 50% di emittenti del settore finanziario; i titoli emessi da enti pubblici, sovranazionali o sovrani potranno rappresentare fino al 20% dell'attivo. I titoli potranno provenire da qualunque zona geografica, compresi i paesi emergenti, tuttavia le emissioni di società la cui sede legale non si trova in un paese dell'OCSE saranno limitate al 20% dell'attivo netto. Le obbligazioni potranno presentare qualsiasi rating creditizio: fino al 100% dell'attivo netto in titoli speculativi, fino al 20% in titoli investment grade (eccetto strumenti del mercato monetario) e fino al 30% in titoli privi di rating. I rating presi in considerazione sono quelli attribuiti dalle agenzie tradizionali o da altri organismi giudicati equivalenti dalla Società di gestione. Quest'ultima non si avvale sistematicamente delle agenzie di rating. La SICAV potrà investire fino al 10% dell'attivo netto in OIC e/o titoli del mercato monetario per la gestione della propria tesoreria.

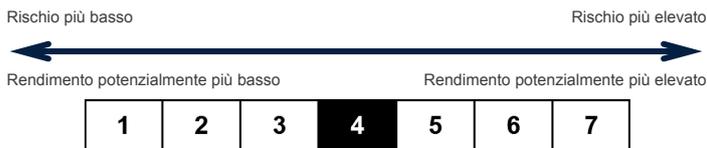
La SICAV potrà utilizzare strumenti finanziari a termine nell'ambito della gestione della sua esposizione ai rischi di credito e di cambio. I derivati di credito potranno essere utilizzati a fini di copertura entro il limite del 100% dell'attivo. La sensibilità\* globale del portafoglio al rischio di tasso, inclusa attraverso gli strumenti derivati, sarà compresa tra 0 e 7. Tale sensibilità\* sarà ridotta con l'avvicinarsi della scadenza. La SICAV coprirà il rischio di cambio contro la sua valuta di riferimento (l'euro) attraverso l'utilizzo di strumenti derivati in modo che l'esposizione consolidata al rischio di cambio non superi il 10% dell'attivo netto.

Frequenza di valorizzazione: quotidiana. A partire dal 30 aprile 2020 non sarà più possibile effettuare nuove sottoscrizioni in questa categoria d'azione. Centralizzazione degli ordini di rimborso: ogni giorno alle ore 12:00 presso Rothschild Martin Maurel. Esecuzione degli ordini: VP seguente (prezzo sconosciuto). Data di regolamento dei rimborsi: VP + 2 giorni lavorativi. Questa azione è un'azione di accumulazione.

Raccomandazione: questo OIC potrebbe non essere indicato per gli investitori che prevedono di ritirare il proprio capitale entro 7 anni.

\* La sensibilità obbligazionaria misura la variazione del prezzo di un'obbligazione a tasso fisso quando i tassi d'interesse evolvono. Maggiore è la durata residua di un'obbligazione, più sarà elevata la sua sensibilità.

## Profilo di rischio e di rendimento



• Il livello di rischio di questo OICVM è di 4 (volatilità compresa tra il 5% e il 10%) e riflette principalmente il suo posizionamento sul rischio di credito e sui prodotti di tasso la cui vita residua al 31 dicembre 2024 sarà inferiore o uguale a 6 mesi.

• I dati storici utilizzati per il calcolo di questo indicatore sintetico potrebbero non costituire un'indicazione affidabile circa il futuro profilo di rischio dell'OICVM.

• La categoria di rischio associata all'OICVM non è garantita e potrebbe subire nel tempo variazioni in entrambi i sensi.

• Si noti che la categoria più bassa non indica un investimento privo di rischio.

• Il capitale non è garantito.

Altri rischi che rivestono importanza significativa e che non sono adeguatamente rilevati dall'indicatore:

• Rischio di credito: rischio che l'emittente di uno strumento finanziario non assolva, anche solo in parte, agli obblighi di rimborso del capitale e di pagamento degli interessi.

• Rischio di controparte: rischio di insolvenza di una controparte a un'operazione over-the-counter (swap, pensione). Tali rischi possono incidere negativamente sul valore patrimoniale dell'OIC.

• Rischio di liquidità: rischio legato alla bassa liquidità dei mercati sottostanti, che li rende sensibili a movimenti significativi di acquisto/vendita.

Il verificarsi di uno di questi rischi potrà determinare una diminuzione del valore patrimoniale netto dell'OIC.

Per maggiori informazioni sul profilo di rischio e sui principali fattori che lo influenzano, si invita a consultare il prospetto.

## Spese

Le spese e le commissioni servono a coprire i costi operativi dell'OICVM, inclusi quelli di commercializzazione e distribuzione delle azioni. Queste spese riducono il rendimento potenziale dell'investimento.

### Spese una tantum prelevate prima o dopo l'investimento

Spese di sottoscrizione	2,50%
Spese di rimborso	Non previste

Percentuali massime che possono essere prelevate dal vostro capitale prima che venga investito e/o prima che il rendimento dell'investimento venga distribuito. In alcuni casi, potreste pagare meno. L'investitore può ottenere presso il suo consulente o il suo distributore l'importo effettivo della spesa di sottoscrizione e di rimborso.

### Spese prelevate dall'OIC in un anno

Spese correnti (in % del patrimonio netto)	1,63%
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La percentuale delle spese correnti indicata corrisponde a una stima delle spese che saranno prelevate per l'esercizio in chiusura a dicembre 2020. Quest'importo può variare da un esercizio all'altro. Le spese correnti non comprendono le commissioni legate al rendimento e le spese d'intermediazione, eccetto il caso di spese di sottoscrizione e/o di rimborso pagate dall'OIC quando acquista o vende quote/azioni di un altro veicolo di gestione collettiva.

### Spese una tantum prelevate dall'OIC a determinate condizioni specifiche

Commissioni legate al rendimento	Non previste
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Per maggiori informazioni sulle spese, si rinvia alla sezione "Spese e commissioni" del prospetto di questo OICVM, disponibile su richiesta scritta all'indirizzo indicato nella sezione "Informazioni pratiche" sotto riportata.

## Risultati ottenuti nel passato

Dati insufficienti

Questo OICVM è stato creato nel 2017.

Le Azioni "R EUR" sono state create in data 27/nov/2017.

I rendimenti sono stati calcolati in EUR.

I rendimenti ottenuti nel passato non sono indicativi dei risultati futuri. I dati di rendimento includono gli oneri sullo stesso gravanti (le commissioni di gestione).

### Informazioni pratiche

La banca depositaria dell'OICVM è Rothschild Martin Maurel.

Il prospetto completo dell'OICVM e le ultime relazioni annuali e periodiche sono disponibili in lingua francese e si possono ottenere a titolo gratuito entro otto giorni lavorativi, su semplice richiesta scritta, al seguente indirizzo:

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Il valore patrimoniale netto verrà pubblicato sul sito internet della società di gestione: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

La normativa in materia fiscale dello Stato membro d'origine dell'OICVM potrebbe avere un impatto sulla situazione fiscale personale dell'investitore. Rothschild & Co Asset Management Europe può essere ritenuta responsabile esclusivamente sulla base delle dichiarazioni contenute nel presente documento che risultano fuorvianti, inesatte o incoerenti rispetto alle corrispondenti parti del prospetto per l'OICVM.

Questo OICVM può essere costituito da azioni di altro tipo. Maggiori informazioni su tali azioni sono disponibili nel prospetto dell'OICVM o sul seguente sito Internet: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

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Le informazioni chiave per gli investitori qui riportate sono esatte alla data del 23 settembre 2020.

## Informazioni chiave per gli investitori

Il presente documento contiene le informazioni chiave di cui tutti gli investitori devono disporre in relazione a questo OICVM. Non si tratta di un documento promozionale. Le informazioni contenute nel presente documento, richieste dalla legge, hanno lo scopo di aiutare gli investitori a capire la natura di questo OIC e i rischi a esso connessi. Si raccomanda di prenderne visione, in modo da operare una scelta informata in merito all'opportunità di investire.



# R-co Thematic Gold Mining

Comparto della SICAV R-co  
Questo OICVM è gestito da Rothschild & Co Asset Management Europe  
Codice ISIN: FR0007001581 (Azione C EUR)

## Obiettivi e politica d'investimento

Il comparto R-co Thematic Gold Mining, classificato nella categoria "azioni internazionali", ha l'obiettivo di realizzare, sull'orizzonte d'investimento raccomandato di 5 anni, una performance superiore all'indice di riferimento (FT MINES D'OR convertito in euro con reinvestimento dei dividendi) investendo e/o esponendosi per almeno il 60% del suo patrimonio netto sui mercati azionari di società legate al settore dei metalli rari e preziosi. La composizione del comparto può discostarsi significativamente dalla ripartizione dell'indice.

Il comparto opera una gestione discrezionale e potrà essere investito in funzione dell'andamento dei mercati:

- tra il 60 e il 100% su uno o più mercati di azioni con qualsiasi volume di capitalizzazione di borsa, emesse da uno o più paesi di qualsiasi regione (in particolare America del Nord, Australia e Sudafrica) da società del settore dei metalli rari e preziosi, in particolare azioni privilegiate ("preferred"), American Depositary Receipt (ADR), European Depositary Receipt (EDR) legati a società dello stesso settore dei metalli rari e preziosi;

- tra lo 0 e il 40% del patrimonio netto in prodotti di tasso o convertibili emessi da Stati o emittenti privati, con qualsiasi rating creditizio. I prodotti di tasso di natura speculativa high yield rappresentano al massimo il 10% del patrimonio netto. Gli investimenti in prodotti di tasso sono finalizzati a gestire la liquidità del comparto in attesa di opportunità di investimento sulle azioni;

- in pensioni contro obbligazioni o titoli di credito negoziabili;

- tra lo 0 e il 10% in depositi;

- tra lo 0 e il 10% in quote o azioni di OIC, in particolare OIC specializzati nel settore dei metalli preziosi.

Il FCI potrà essere esposto a paesi extra-OCSE, inclusi paesi emergenti, fino al 10% del suo patrimonio netto.

Il FCI può inoltre intervenire su strumenti finanziari a termine negoziati su mercati regolamentati francesi ed esteri od over-the-counter allo scopo di perseguire il suo obiettivo di gestione (in particolare nel monitoraggio dell'esposizione al mercato azionario). Per fare ciò, copre il portafoglio e/o lo espone ai mercati di tasso, azionari, di cambio e ad indici (di tasso, azionari).

Il FCI può anche investire fino al 40% del suo patrimonio netto in titoli che integrano strumenti derivati.

L'esposizione consolidata del portafoglio al mercato azionario, ivi compresa l'eventuale esposizione legata agli strumenti finanziari a termine, non supererà il 110%.

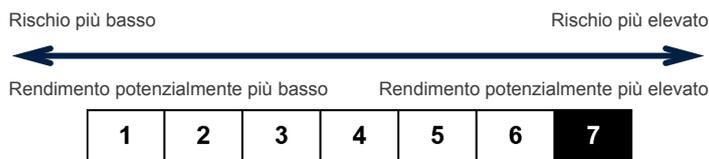
L'esposizione consolidata del portafoglio al mercato dei tassi, ivi compresa l'esposizione indotta dall'uso degli strumenti finanziari a termine, consentirà di mantenere la sensibilità del portafoglio entro un range compreso tra -1 e 9.

Inoltre, l'investitore potrà essere esposto a un rischio di cambio massimo del 100%.

Frequenza di valorizzazione: quotidiana. Centralizzazione degli ordini di sottoscrizione/rimborso (S/R): ogni giorno alle ore 11:00 presso Rothschild Martin Maurel. Esecuzione degli ordini: VP seguente (prezzo sconosciuto). Data di regolamento S/R: VP + 2 giorni lavorativi. Questa azione è un'azione di accumulazione.

Raccomandazione: questo comparto potrebbe non essere indicato per gli investitori che prevedono di ritirare il proprio capitale entro 5 anni.

## Profilo di rischio e di rendimento



• Il livello di rischio di questo comparto è di 7 (volatilità superiore al 25%) e riflette principalmente il suo investimento sui mercati azionari nel settore dei metalli rari e preziosi.

• I dati storici utilizzati per il calcolo di questo indicatore sintetico potrebbero non costituire un'indicazione affidabile circa il futuro profilo di rischio del comparto.

• La categoria di rischio associata al comparto non è garantita e potrebbe subire nel tempo variazioni sia positive che negative.

• Si noti che la categoria più bassa non indica un investimento privo di rischio.

• Il capitale non è garantito.

### Altri rischi che rivestono importanza significativa e che non sono adeguatamente rilevati dall'indicatore:

• **Rischio di credito:** rischio che l'emittente di uno strumento finanziario non assolva, anche solo in parte, agli obblighi di rimborso del capitale e di pagamento degli interessi.

• **Rischio di controparte:** rischio di insolvenza di una controparte a un'operazione over-the-counter (swap, pensione). Tali rischi possono incidere negativamente sul valore patrimoniale dell'OIC.

• **Rischio di liquidità:** rischio legato alla bassa liquidità dei mercati sottostanti, che li rende sensibili a movimenti significativi di acquisto/vendita.

• **Influenza di tecniche quali i prodotti derivati:** l'utilizzo dei prodotti derivati può amplificare l'impatto degli effetti dei movimenti di mercato del portafoglio.

Il verificarsi di uno di questi rischi potrà determinare una diminuzione del valore patrimoniale netto del comparto.

Per maggiori informazioni sul profilo di rischio e sui principali fattori che lo influenzano, si invita a consultare il prospetto.

## Spese

Le spese e le commissioni servono a coprire i costi operativi del comparto, inclusi quelli di commercializzazione e distribuzione delle azioni. Queste spese riducono il rendimento potenziale dell'investimento.

### Spese una tantum prelevate prima o dopo l'investimento

Spese di sottoscrizione	1,00%
Spese di rimborso	1,00%

Percentuali massime che possono essere prelevate dal vostro capitale prima che venga investito e/o prima che il rendimento dell'investimento venga distribuito. In alcuni casi, potreste pagare meno. L'investitore può ottenere presso il suo consulente o il suo distributore l'importo effettivo della spesa di sottoscrizione e di rimborso.

### Spese prelevate dall'OIC in un anno

Spese correnti (in % del patrimonio netto)	2,91%
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La percentuale delle spese correnti indicata si basa sulle spese dell'esercizio precedente chiuso a dicembre 2019. Quest'importo può variare da un esercizio all'altro. Le spese correnti non comprendono le commissioni legate al rendimento e le spese d'intermediazione, eccetto il caso di spese di sottoscrizione e/o di rimborso pagate dall'OIC quando acquista o vende quote/azioni di un altro veicolo di gestione collettiva.

### Spese una tantum prelevate dall'OIC a determinate condizioni specifiche

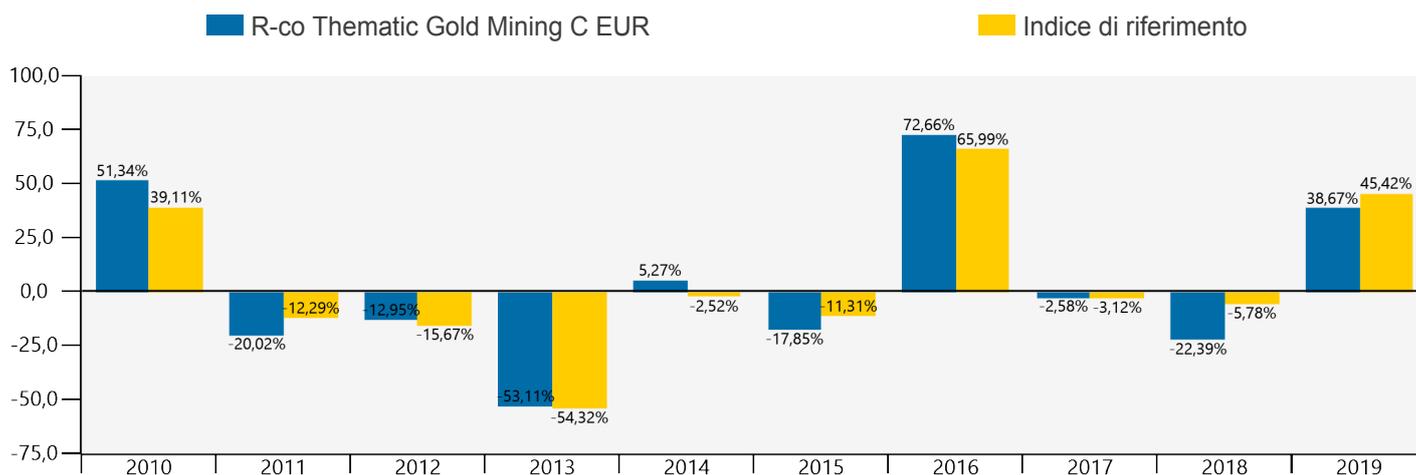
Commissioni legate al rendimento	0,04%(*)
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20% della sovraperformance annua dell'OICVM stabilita rispetto alla variazione dell'indice di riferimento FT MINES D'OR convertito in euro con dividendi reinvestiti nel corso di un esercizio, solo se il VP assoluto è superiore al VP di fine esercizio.

La percentuale delle commissioni legate al rendimento può variare da un esercizio all'altro in funzione della formula descritta sotto.

Per maggiori informazioni sulle spese, si rinvia alla sezione "Spese e commissioni" del prospetto di questo OICVM, disponibile su richiesta scritta all'indirizzo indicato nella sezione "Informazioni pratiche" sotto riportata.

## Risultati ottenuti nel passato



Il comparto è stato creato nel 2018.

Le Azioni sono state create in data 09/11/2018.

I rendimenti sono stati calcolati in EUR.

I rendimenti ottenuti nel passato non sono indicativi dei risultati futuri. I dati di rendimento includono gli oneri sullo stesso gravanti (le commissioni di gestione).

La performance del comparto è calcolata con dividendi netti reinvestiti.

Questo comparto della SICAV è stato creato in occasione della fusione per incorporazione del FCI R-co Mines d'Or il 9 novembre 2018. La quota C EUR del suddetto FCI è stata creata il 12 giugno 1996 ed è diventata la categoria d'azione C EUR di questo comparto.

## Informazioni pratiche

La banca depositaria dell'OICVM è Rothschild Martin Maurel.

Il prospetto completo dell'OICVM e le ultime relazioni annuali e periodiche sono disponibili in lingua francese e si possono ottenere a titolo gratuito entro otto giorni lavorativi, su semplice richiesta scritta, al seguente indirizzo:

Rothschild & Co Asset Management Europe - Service Commercial 29, avenue de Messine 75008 Paris.

Il valore patrimoniale netto verrà pubblicato sul sito internet della società di gestione: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

La normativa in materia fiscale dello Stato membro d'origine dell'OICVM potrebbe avere un impatto sulla situazione fiscale personale dell'investitore.

Rothschild & Co Asset Management Europe può essere ritenuta responsabile esclusivamente sulla base delle dichiarazioni contenute nel presente documento che risultano fuorvianti, inesatte o incoerenti rispetto alle corrispondenti parti del prospetto per l'OICVM.

Questo comparto può essere costituito da azioni di altro tipo. Maggiori informazioni su tali azioni sono disponibili nel prospetto dell'OICVM o sul seguente sito Internet: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

Il presente OICVM è autorizzato in Francia e regolamentato dall'*Autorité des Marchés Financiers*.

Rothschild & Co Asset Management Europe è autorizzata in Francia e regolamentata dall'*Autorité des Marchés Financiers*.

I dettagli della politica di remunerazione aggiornata della società di gestione sono disponibili sul sito internet [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com). Un esemplare cartaceo della politica di remunerazione è disponibile gratuitamente su richiesta presso la sede legale della società di gestione.

Le informazioni chiave per gli investitori qui riportate sono esatte alla data dell'11 febbraio 2020.

## Informazioni chiave per gli investitori

Il presente documento contiene le informazioni chiave di cui tutti gli investitori devono disporre in relazione a questo OICVM. Non si tratta di un documento promozionale. Le informazioni contenute nel presente documento, richieste dalla legge, hanno lo scopo di aiutare gli investitori a capire la natura di questo OIC e i rischi a esso connessi. Si raccomanda di prenderne visione, in modo da operare una scelta informata in merito all'opportunità di investire.



# R-co Thematic Real Estate

Comparto della SICAV R-co  
Questo OICVM è gestito da Rothschild & Co Asset Management Europe  
Codice ISIN: FR0007457890 (Azione C EUR)

## Obiettivi e politica d'investimento

Il comparto classificato nella categoria "azioni di paesi dell'eurozona" ha l'obiettivo di realizzare, sull'orizzonte d'investimento raccomandato superiore o uguale a 5 anni e investendo in azioni di società francesi del settore immobiliare e società fondiarie europee, una performance, al netto delle spese di gestione, in linea con quella dell'indice di riferimento (ossia l'indice immobiliare IEIF Eurozone (Institut d'Epargne Immobilière et Foncière) con reinvestimento delle cedole nette) abbinata a una volatilità inferiore alla media dei fondi specializzati del settore. L'indice di riferimento è utilizzato solo a fini comparativi. Il gestore può decidere o meno di investire in titoli che compongono l'indice di riferimento a sua totale discrezione. È libero di scegliere i titoli che compongono il portafoglio nel rispetto della strategia di gestione e delle restrizioni di investimento.

La strategia di investimento del comparto si basa sull'identificazione delle tendenze a lungo termine che costituiscono i cicli immobiliari.

Questo requisito prospettico è corroborato da un'analisi congiunturale che aggrega i diversi indicatori avanzati del mercato e consente di selezionare i veicoli più adatti.

Il comparto può investire tra l'80 e il 100% del suo patrimonio netto in azioni. Queste azioni sono, almeno all'80%, titoli francesi e di società dell'eurozona. L'esposizione al rischio di cambio, eurozona esclusa, è limitato al 10% del patrimonio netto. Per al massimo il 20% del patrimonio netto, l'esposizione può riguardare prodotti di tasso. I criteri di investimento si basano su indicatori di crescita del patrimonio, di performance, di multipli di valutazione e di copertura del rischio di rialzo dei tassi.

La strategia del comparto è discrezionale tra le varie classi di attivi. Tuttavia, l'allocazione target dovrebbe presentare, sull'orizzonte d'investimento raccomandato, i seguenti pesi:

- tra l'80 e il 100% in uno o più mercati azionari di emittenti dei paesi dell'eurozona, tra cui il mercato francese. Il rischio di cambio non può essere superiore al 10% del patrimonio netto per un investitore dell'eurozona (il rischio può essere costituito, per esempio, da titoli di società al di fuori dell'eurozona, a seguito di

un'offerta pubblica di scambio avviata dalle suddette società). Il comparto sarà investito in uno o più mercati azionari con qualsiasi volume di capitalizzazione di borsa (fino a un massimo del 60% del patrimonio netto in azioni a bassa capitalizzazione), di emittenti appartenenti a uno o più paesi dell'eurozona.

- tra lo 0 e il 20% in titoli di credito, strumenti dei mercati monetari, obbligazionari e convertibili. Il comparto investirà in obbligazioni, titoli di credito negoziabili (in particolare i titoli di credito negoziabili a breve termine, inclusi i certificati di deposito e i commercial paper emessi prima del 31 maggio 2016, e gli Euro Commercial Paper), emessi in euro, con qualsiasi scadenza, a tasso fisso, variabile o rivedibile, titoli partecipativi, obbligazioni convertibili, obbligazioni indicizzate, con qualsiasi rating o prive di rating (con una quota massima di obbligazioni high yield e/o prive di rating del 10%).

La ripartizione tra debito privato/pubblico non è predeterminata e verrà effettuata in funzione delle opportunità di mercato.

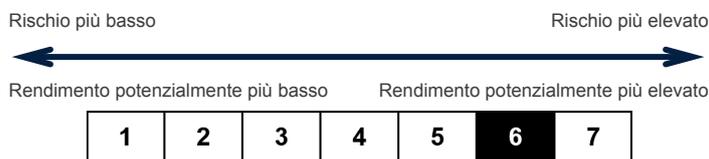
- tra lo 0 e il 10% in quote o azioni di altri OICVM oppure in quote o azioni di FIA di diritto francese o europeo o di fondi di investimento costituiti sulla base di un diritto estero che rispettano i quattro criteri previsti dall'articolo R. 214-13 del Codice monetario e finanziario.

Il gestore potrà assumere posizioni sui mercati regolamentati francesi e/o dei paesi dell'eurozona per coprire il portafoglio o esporlo al fine di realizzare l'obiettivo di gestione. Dato che non viene ricercata la sovraesposizione, l'esposizione totale (azioni e strumenti derivati) non supererà il 100% del patrimonio netto del comparto.

Frequenza di valorizzazione: quotidiana. Centralizzazione degli ordini di sottoscrizione/rimborso (S/R): ogni giorno alle ore 12:00 presso Rothschild Martin Maurel. Esecuzione degli ordini: VP seguente (prezzo sconosciuto). Data di regolamento S/R: VP +2 giorni lavorativi. Questa azione è un'azione di accumulazione.

Raccomandazione: questo comparto potrebbe non essere indicato per gli investitori che prevedono di ritirare il proprio capitale entro 5 anni.

## Profilo di rischio e di rendimento



• Il livello di rischio di questo comparto è di 6 (volatilità compresa fra il 15% e il 25%) e riflette principalmente il suo posizionamento sul mercato delle azioni francesi del settore immobiliare e di fondiarie europee.

• I dati storici utilizzati per il calcolo di questo indicatore sintetico potrebbero non costituire un'indicazione affidabile circa il futuro profilo di rischio del comparto.

• La categoria di rischio associata al comparto non è garantita e potrebbe subire nel tempo variazioni sia positive che negative.

• Si noti che la categoria più bassa non indica un investimento privo di rischio.

• Il capitale non è garantito.

Altri rischi che rivestono importanza significativa e che non sono adeguatamente rilevati dall'indicatore:

• Rischio di credito: rischio che l'emittente di uno strumento finanziario non assolva, anche solo in parte, agli obblighi di rimborso del capitale e di pagamento degli interessi.

• Influenza di tecniche quali i prodotti derivati: l'utilizzo dei prodotti derivati può amplificare l'impatto degli effetti dei movimenti di mercato del portafoglio.

Il verificarsi di uno di questi rischi potrà determinare una diminuzione del valore patrimoniale netto del comparto.

Per maggiori informazioni sul profilo di rischio e sui principali fattori che lo influenzano, si invita a consultare il prospetto.

## Spese

Le spese e le commissioni servono a coprire i costi operativi del comparto, inclusi quelli di commercializzazione e distribuzione delle azioni. Queste spese riducono il rendimento potenziale dell'investimento.

### Spese una tantum prelevate prima o dopo l'investimento

Spese di sottoscrizione	4,00%
Spese di rimborso	Non previste

Percentuali massime che possono essere prelevate dal vostro capitale prima che venga investito e/o prima che il rendimento dell'investimento venga distribuito. In alcuni casi, potreste pagare meno. L'investitore può ottenere presso il suo consulente o il suo distributore l'importo effettivo della spesa di sottoscrizione e di rimborso.

### Spese prelevate dall'OIC in un anno

Spese correnti (in % del patrimonio netto)	1,94%
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La percentuale delle spese correnti indicata si basa sulle spese dell'esercizio precedente chiuso a dicembre 2019. Quest'importo può variare da un esercizio all'altro. Le spese correnti non comprendono le commissioni legate al rendimento e le spese d'intermediazione, eccetto il caso di spese di sottoscrizione e/o di rimborso pagate dall'OIC quando acquista o vende quote/azioni di un altro veicolo di gestione collettiva.

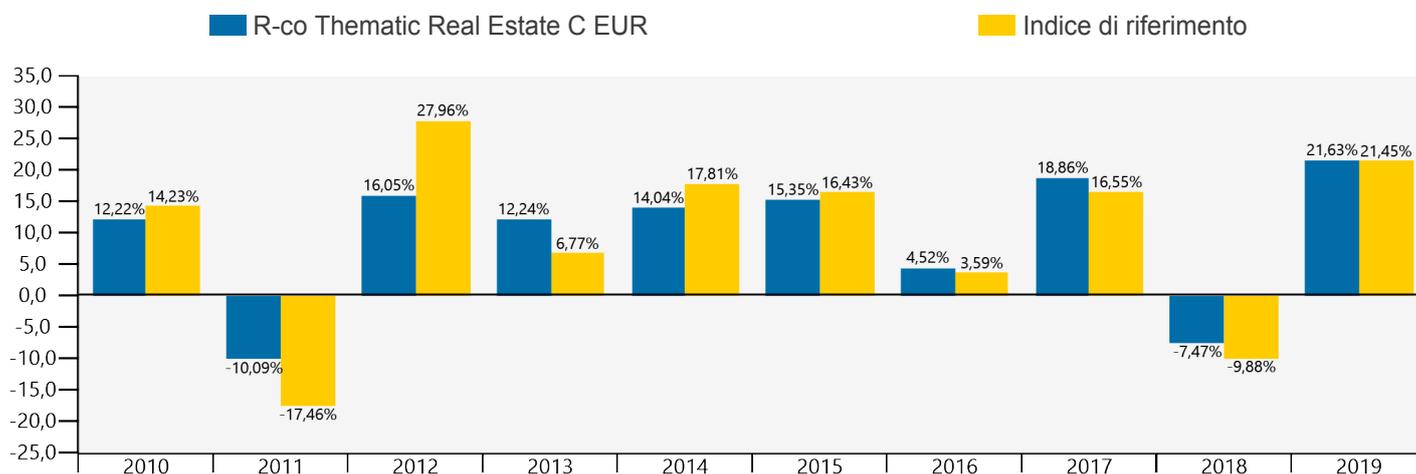
### Spese una tantum prelevate dall'OIC a determinate condizioni specifiche

Commissioni legate al rendimento	0,41%
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15% della sovraperformance del comparto rispetto alla performance del suo indice di riferimento, l'indice IEIF Eurozone con reinvestimento delle cedole nette. La percentuale delle commissioni legate al rendimento può variare da un esercizio all'altro in funzione della formula descritta sotto.

Per maggiori informazioni sulle spese, si rinvia alla sezione "Spese e commissioni" del prospetto di questo OICVM, disponibile su richiesta scritta all'indirizzo indicato nella sezione "Informazioni pratiche" sotto riportata.

## Risultati ottenuti nel passato



Il comparto è stato creato nel 2018.

Le Azioni "C EUR" sono state create in data 26/ott/2018.

I rendimenti sono stati calcolati in EUR.

I rendimenti ottenuti nel passato non sono indicativi dei risultati futuri. I dati di rendimento includono gli oneri sullo stesso gravanti (le commissioni di gestione).

### Informazioni pratiche

La banca depositaria dell'OICVM è Rothschild Martin Maurel.

Il prospetto completo dell'OICVM e le ultime relazioni annuali e periodiche sono disponibili in lingua francese e si possono ottenere a titolo gratuito entro otto giorni lavorativi, su semplice richiesta scritta, al seguente indirizzo:

Rothschild & Co Asset Management Europe - Service Commercial 29, avenue de Messine 75008 Paris.

Il valore patrimoniale netto verrà pubblicato sul sito internet della società di gestione: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

Fiscalità: supporto a polizze vita.

La normativa in materia fiscale dello Stato membro d'origine dell'OICVM potrebbe avere un impatto sulla situazione fiscale personale dell'investitore.

Rothschild & Co Asset Management Europe può essere ritenuta responsabile esclusivamente sulla base delle dichiarazioni contenute nel presente documento che risultano fuorvianti, inesatte

o incoerenti rispetto alle corrispondenti parti del prospetto per l'OICVM. Questo comparto della SICAV è stato creato in occasione della fusione per incorporazione del FCI Martin Maurel Pierre Capitalisation il 26 ottobre 2018. La quota C EUR del suddetto FCI è stata creata il 18 maggio 1990 ed è diventata la categoria d'azione C EUR di questo comparto.

o incoerenti rispetto alle corrispondenti parti del prospetto per l'OICVM.

Questo comparto può essere costituito da azioni di altro tipo. Maggiori informazioni su tali quote sono disponibili nel prospetto dell'OICVM o sul seguente sito Internet: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

Il presente OICVM è autorizzato in Francia e regolamentato dall'*Autorité des Marchés Financiers*.

Rothschild & Co Asset Management Europe è autorizzata in Francia e regolamentata dall'*Autorité des Marchés Financiers*.

I dettagli della politica di remunerazione aggiornata della società di gestione sono disponibili sul sito internet [www.am.eu.rothschildandco.com/fr](http://www.am.eu.rothschildandco.com/fr). Un esemplare cartaceo della politica di remunerazione è disponibile gratuitamente su richiesta presso la sede legale della società di gestione.

Le informazioni chiave per gli investitori qui riportate sono esatte alla data del 26 giugno 2020.

## Informazioni chiave per gli investitori

Il presente documento contiene le informazioni chiave di cui tutti gli investitori devono disporre in relazione a questo OICVM. Non si tratta di un documento promozionale. Le informazioni contenute nel presente documento, richieste dalla legge, hanno lo scopo di aiutare gli investitori a capire la natura di questo OIC e i rischi a esso connessi. Si raccomanda di prenderne visione, in modo da operare una scelta informata in merito all'opportunità di investire.



# R-co Thematic Silver Plus

Comparto della SICAV R-co  
Questo OICVM è gestito da Rothschild & Co Asset Management Europe  
Codice ISIN: FR0010909531 (Azione C EUR)

## Obiettivi e politica d'investimento

Il comparto classificato nella categoria "azioni dei paesi dell'Unione europea" si propone come obiettivo di gestione di ottenere, su un orizzonte d'investimento raccomandato uguale o superiore a 5 anni, un rendimento superiore a quello dell'indice di riferimento (il Dow Jones Euro Stoxx dividendi netti reinvestiti) attraverso una gestione discrezionale. La composizione del comparto può discostarsi significativamente dalla ripartizione dell'indice.

La strategia di gestione si prefigge di determinare e monitorare mensilmente un determinato numero di fattori economici, geopolitici e finanziari e il loro prevedibile impatto sul comportamento borsistico delle large, small e mid cap.

La strategia del comparto è discrezionale e ha la seguente allocazione:

- tra il 75% e il 100% in uno o più mercati azionari appartenenti a tutti i settori industriali e con qualsiasi volume di capitalizzazione di borsa. La quota della componente azionaria del comparto sarà investita per almeno il 90% sui mercati azionari regolamentati dei paesi dell'eurozona. La ripartizione settoriale degli emittenti non è predeterminata e verrà effettuata in funzione delle opportunità di mercato. Il rischio di cambio non può essere superiore al 10% del patrimonio netto per un investitore dell'eurozona (il rischio può essere costituito, per esempio, da titoli di società al di fuori dell'eurozona, a seguito di un'offerta pubblica di scambio avviata dalle suddette società). Il peso delle large cap è sempre compreso tra il 40% e l'80% del patrimonio netto del comparto e quello delle small e mid cap tra il 20% e il 60%.

- tra lo 0% e il 25% del patrimonio netto in titoli di credito e strumenti dei mercati monetari. Il comparto investirà in titoli di

credito negoziabili, in particolare i titoli di credito negoziabili a breve termine e gli Euro Commercial Paper, denominati in euro, con qualsiasi scadenza, a tasso fisso o variabile, con qualsiasi rating (con una quota massima di titoli high yield del 10%), nonché in prodotti privi di rating.

- tra lo 0 e il 10% in quote o azioni di altri OICVM oppure di FIA di diritto francese o europeo, o di fondi di investimento costituiti sulla base di un diritto estero che rispettano i quattro criteri previsti dall'articolo R. 214-13 del Codice monetario e finanziario.

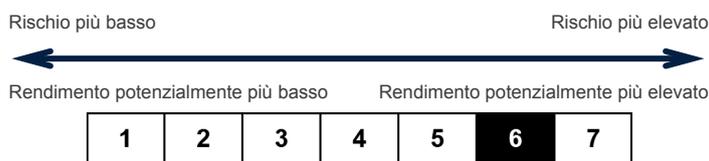
Il gestore potrà assumere posizioni sui mercati regolamentati francesi e/o dei paesi dell'eurozona per coprire il portafoglio o esporlo al fine di realizzare l'obiettivo di gestione. In tal senso, il comparto potrà assumere rischio azionario a fini di esposizione e/o copertura.

Dato che non viene ricercata la sovraesposizione, l'esposizione totale (azioni e strumenti derivati) non supererà il 100% del patrimonio netto del comparto.

Frequenza di valorizzazione: quotidiana. Centralizzazione degli ordini di sottoscrizione/rimborso (S/R): ogni giorno alle ore dodici (12) presso Rothschild Martin Maurel. Esecuzione degli ordini: VP seguente (prezzo sconosciuto). Data di regolamento S/R: VP +2 giorni lavorativi. Questa azione è un'azione di accumulazione.

Raccomandazione: questo comparto potrebbe non essere indicato per gli investitori che prevedono di ritirare il proprio capitale entro 5 anni.

## Profilo di rischio e di rendimento



• Il livello di rischio di questo comparto è di 6 (volatilità compresa fra il 15% e il 25%)

• I dati storici utilizzati per il calcolo di questo indicatore sintetico potrebbero non costituire un'indicazione affidabile circa il futuro profilo di rischio del comparto.

• La categoria di rischio associata al comparto non è garantita e potrebbe subire nel tempo variazioni sia positive che negative.

• Si noti che la categoria più bassa non indica un investimento privo di rischio.

• Il capitale non è garantito.

Altri rischi che rivestono importanza significativa e che non sono adeguatamente rilevati dall'indicatore:

• Rischio di liquidità: rischio legato alla bassa liquidità dei mercati sottostanti, che li rende sensibili a movimenti significativi di acquisto/vendita.

• Influenza di tecniche quali i prodotti derivati: l'utilizzo dei prodotti derivati può amplificare l'impatto degli effetti dei movimenti di mercato del portafoglio.

Il verificarsi di uno di questi rischi potrà determinare una diminuzione del valore patrimoniale netto del comparto.

Per maggiori informazioni sul profilo di rischio e sui principali fattori che lo influenzano, si invita a consultare il prospetto.

## Spese

Le spese e le commissioni servono a coprire i costi operativi del comparto, inclusi quelli di commercializzazione e distribuzione delle azioni. Queste spese riducono il rendimento potenziale dell'investimento.

### Spese una tantum prelevate prima o dopo l'investimento

Spese di sottoscrizione	4,00%
Spese di rimborso	Non previste

Percentuali massime che possono essere prelevate dal vostro capitale prima che venga investito e/o prima che il rendimento dell'investimento venga distribuito. In alcuni casi, potreste pagare meno. L'investitore può ottenere presso il suo consulente o il suo distributore l'importo effettivo della spesa di sottoscrizione e di rimborso.

### Spese prelevate dall'OIC in un anno

Spese correnti (in % del patrimonio netto)	2,12%
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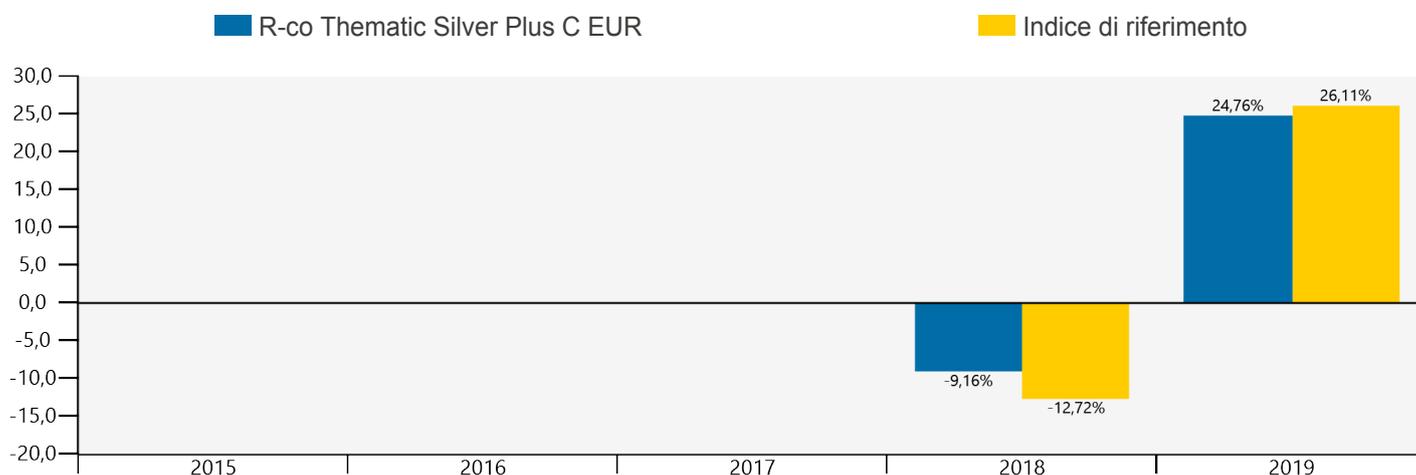
La percentuale delle spese correnti indicata si basa sulle spese dell'esercizio precedente chiuso a dicembre 2019. Quest'importo può variare da un esercizio all'altro. Le spese correnti non comprendono le commissioni legate al rendimento e le spese d'intermediazione, eccetto il caso di spese di sottoscrizione e/o di rimborso pagate dall'OIC quando acquista o vende quote/azioni di un altro veicolo di gestione collettiva.

### Spese una tantum prelevate dall'OIC a determinate condizioni specifiche

Commissioni legate al rendimento	Non previste
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Per maggiori informazioni sulle spese, si rinvia alla sezione "Spese e commissioni" del prospetto di questo OICVM, disponibile su richiesta scritta all'indirizzo indicato nella sezione "Informazioni pratiche" sotto riportata.

## Risultati ottenuti nel passato



Il comparto è stato creato nel 2018.

Le Azioni "C EUR" sono state create in data 30/nov/2018.

I rendimenti sono stati calcolati in EUR.

I rendimenti ottenuti nel passato non sono indicativi dei risultati futuri. I dati di rendimento includono gli oneri sullo stesso gravanti (le commissioni di gestione).

### Informazioni pratiche

La banca depositaria dell'OICVM è Rothschild Martin Maurel.

Il prospetto completo dell'OICVM e le ultime relazioni annuali e periodiche sono disponibili in lingua francese e si possono ottenere a titolo gratuito entro otto giorni lavorativi, su semplice richiesta scritta, al seguente indirizzo:

Rothschild & Co Asset Management Europe - Service Commercial 29, avenue de Messine 75008 Paris.

Il valore patrimoniale netto verrà pubblicato sul sito internet della società di gestione: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

La normativa in materia fiscale dello Stato membro d'origine dell'OICVM potrebbe avere un impatto sulla situazione fiscale personale dell'investitore.

Rothschild & Co Asset Management Europe può essere ritenuta responsabile esclusivamente sulla base delle dichiarazioni contenute nel presente documento che risultano fuorvianti, inesatte o incoerenti rispetto alle corrispondenti parti del prospetto per l'OICVM.

Questo comparto della SICAV è stato creato in occasione della fusione per incorporazione del FCI Martin Maurel Senior Plus il 30 novembre 2018. La quota C EUR del suddetto FCI è stata creata il 16 luglio 2010 ed è diventata la categoria d'azione C EUR di questo comparto.

Questo comparto può essere costituito da azioni di altro tipo. Maggiori informazioni su tali azioni sono disponibili nel prospetto dell'OICVM o sul seguente sito Internet: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

Il presente OICVM è autorizzato in Francia e regolamentato dall'*Autorité des Marchés Financiers*.

Rothschild & Co Asset Management Europe è autorizzata in Francia e regolamentata dall'*Autorité des Marchés Financiers*.

I dettagli della politica di remunerazione aggiornata della società di gestione sono disponibili sul sito internet [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com). Un esemplare cartaceo della politica di remunerazione è disponibile gratuitamente su richiesta presso la sede legale della società di gestione.

Le informazioni chiave per gli investitori qui riportate sono esatte alla data dell'20-apr-20.

## Informazioni chiave per gli investitori

Il presente documento contiene le informazioni chiave di cui tutti gli investitori devono disporre in relazione a questo OICVM. Non si tratta di un documento promozionale. Le informazioni contenute nel presente documento, richieste dalla legge, hanno lo scopo di aiutare gli investitori a capire la natura di questo OIC e i rischi a esso connessi. Si raccomanda di prenderne visione, in modo da operare una scelta informata in merito all'opportunità di investire.



# R-co Thematic Target 2026 HY

Questo OICVM è gestito da Rothschild & Co Asset Management Europe  
Codice ISIN: FR0013476215 (Azione C EUR)

## Obiettivi e politica d'investimento

OICVM classificato come "Obbligazioni e altri titoli di credito denominati in euro". L'OICVM ha come obiettivo di gestione, alla sottoscrizione e fino al 31/12/2026, di ottenere un risultato legato all'andamento dei mercati di tassi in euro principalmente mediante un'esposizione a titoli speculativi (high yield). La scadenza media del portafoglio sarà compresa tra gennaio e dicembre 2026. Pertanto, la SICAV non dispone di indice di riferimento. La strategia d'investimento della SICAV non si limita alla detenzione di obbligazioni: la società di gestione tenderà a conservare i titoli fino a scadenza, ma potrà effettuare arbitraggi qualora rilevi un aumento del rischio di insolvenza di un emittente in portafoglio e/o qualora si presentino nuove opportunità di mercato per ottimizzare il tasso attuariale medio del portafoglio alla scadenza.

La composizione del portafoglio della SICAV di svolgerà in 3 fasi: (i) un periodo di costituzione di circa 6 mesi a partire dal 28/02/2020, in cui il portafoglio sarà composto da titoli obbligazionari con scadenza uguale o inferiore al 31/12/2028 e titoli del mercato monetario. La scadenza media sarà compresa tra gennaio e dicembre 2026; (ii) un periodo di detenzione (uguale all'orizzonte d'investimento raccomandato) nel corso del quale il portafoglio sarà composto per almeno l'80% da titoli obbligazionari e (iii) un periodo di monetizzazione a partire dal 01/01/2026 nel corso del quale i titoli obbligazionari in scadenza saranno sostituiti da titoli del mercato monetario e sarà vietato effettuare nuove sottoscrizioni. A partire dal 30 giugno 2026, la società di gestione si impegna a trasformare, fondere o liquidare la SICAV entro un termine di 6 mesi. Dal 1° gennaio 2026 non sarà più possibile effettuare nuove sottoscrizioni.

L'OICVM investirà dall'80% al 100% del patrimonio netto in obbligazioni a tasso fisso, variabile o rivedibile e in altri titoli di credito negoziabili, obbligazioni indicizzate all'inflazione e buoni a medio termine negoziabili, di cui al massimo il 10% in obbligazioni convertibili, e denominati per almeno l'80% in euro. I titoli di emittenti privati potranno rappresentare fino al 100% del patrimonio netto, di cui al massimo il 50% di emittenti del settore finanziario e

al massimo il 20% di enti pubblici o sovranazionali. Tali emittenti potranno provenire da qualsiasi area geografica (incluso società aventi sede legale al di fuori dell'OCSE fino al 30% del patrimonio netto) e avere qualsiasi rating creditizio (titoli speculativi fino al 100%, titoli con rating investment grade fino al 50% e titoli privi di rating fino al 30% del patrimonio netto). I rating presi in considerazione sono quelli attribuiti dalle agenzie di rating o da altri organismi giudicati equivalenti dalla società di gestione. L'OICVM potrà detenere azioni fino al 10% del patrimonio netto, OICVM, FIA o fondi d'investimento di diritto estero monetari fino al 10% del patrimonio netto e titoli del mercato monetario fino al 10% del patrimonio netto. Sussiste un rischio di cambio fino al 10% del patrimonio netto.

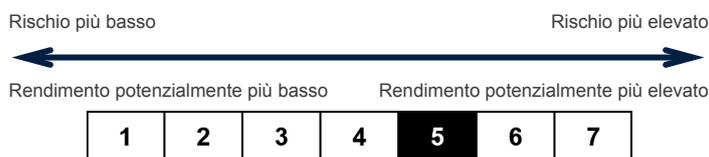
Al fine di realizzare il proprio obiettivo di gestione e gestire la sensibilità e il rischio di credito, l'OICVM potrà fare ricorso, fino a un massimo del 100% del suo patrimonio netto, a titolo di copertura e/o esposizione, a strumenti finanziari a termine (in particolare derivati di credito, future, opzioni e cambi a termine), e a titoli che integrano derivati. La sensibilità\* del portafoglio si iscrive in un intervallo da 0 a 7 e si ridurrà con l'avvicinarsi della scadenza.

Frequenza di valorizzazione: quotidiana. Centralizzazione degli ordini di sottoscrizione/rimborso (S/R): ogni giorno alle ore 12:00 presso CACEIS BANK. Esecuzione degli ordini: VP seguente (prezzo sconosciuto). Data di regolamento S/R: VP + 2 giorni lavorativi. Questa azione è un'azione di accumulazione.

Raccomandazione: questo OIC potrebbe non essere indicato per gli investitori che prevedono di ritirare il proprio capitale entro il 31/12/2026.

\* La sensibilità obbligazionaria misura la variazione del prezzo di un'obbligazione a tasso fisso quando i tassi d'interesse evolvono. Maggiore è la durata residua di un'obbligazione, più sarà elevata la sua sensibilità.

## Profilo di rischio e di rendimento



• Il livello di rischio di questo OICVM è di 5 (volatilità compresa tra il 10% e il 15%) e riflette principalmente il suo posizionamento sul rischio di credito e sui prodotti di tasso la cui vita residua al 31 dicembre 2026 sarà inferiore o uguale a 1 anno.

• I dati storici utilizzati per il calcolo di questo indicatore sintetico potrebbero non costituire un'indicazione affidabile circa il futuro profilo di rischio dell'OICVM.

• La categoria di rischio associata all'OICVM non è garantita e potrebbe subire nel tempo variazioni in entrambi i sensi.

• Si noti che la categoria più bassa non indica un investimento privo di rischio.

• Il capitale non è garantito.

Altri rischi che rivestono importanza significativa e che non sono adeguatamente rilevati dall'indicatore:

• Rischio di controparte: rischio di insolvenza di una controparte a un'operazione over-the-counter (swap, pensione). Tali rischi possono incidere negativamente sul valore patrimoniale dell'OIC.

• Rischio di credito: rischio che l'emittente di uno strumento finanziario non assolva, anche solo in parte, agli obblighi di rimborso del capitale e di pagamento degli interessi.

Il verificarsi di uno di questi rischi potrà determinare una diminuzione del valore patrimoniale netto dell'OIC.

Per maggiori informazioni sul profilo di rischio e sui principali fattori che lo influenzano, si invita a consultare il prospetto.

## Spese

Le spese e le commissioni servono a coprire i costi operativi dell'OICVM, inclusi quelli di commercializzazione e distribuzione delle azioni. Queste spese riducono il rendimento potenziale dell'investimento.

### Spese una tantum prelevate prima o dopo l'investimento

Spese di sottoscrizione	2,50%
Spese di rimborso	Non previste

Percentuali massime che possono essere prelevate dal vostro capitale prima che venga investito e/o prima che il rendimento dell'investimento venga distribuito. In alcuni casi, potreste pagare meno. L'investitore può ottenere presso il suo consulente o il suo distributore l'importo effettivo della spesa di sottoscrizione e di rimborso.

### Spese prelevate dall'OIC in un anno

Spese correnti (in % del patrimonio netto)	1,00%
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La percentuale delle spese correnti indicata corrisponde a una stima delle spese che saranno prelevate per l'esercizio in chiusura a dicembre 2020. Quest'importo può variare da un esercizio all'altro. Le spese correnti non comprendono le commissioni legate al rendimento e le spese d'intermediazione, eccetto il caso di spese di sottoscrizione e/o di rimborso pagate dall'OIC quando acquista o vende quote/azioni di un altro veicolo di gestione collettiva.

### Spese una tantum prelevate dall'OIC a determinate condizioni specifiche

Commissioni legate al rendimento	Non previste
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Per maggiori informazioni sulle spese, si rinvia alla sezione "Spese e commissioni" del prospetto di questo OICVM, disponibile su richiesta scritta all'indirizzo indicato nella sezione "Informazioni pratiche" sotto riportata.

## Risultati ottenuti nel passato

Dati insufficienti

Questo OICVM è stato creato nel **2016**.

Le Azioni "C EUR" sono state create in data 28/feb/2020.

I rendimenti sono stati calcolati in EUR.

I rendimenti ottenuti nel passato non sono indicativi dei risultati futuri. I dati di rendimento includono gli oneri sullo stesso gravanti (le commissioni di gestione).

## Informazioni pratiche

La banca depositaria dell'OICVM è CACEIS Bank.

Il prospetto completo dell'OICVM e le ultime relazioni annuali e periodiche sono disponibili in lingua francese e si possono ottenere a titolo gratuito entro otto giorni lavorativi, su semplice richiesta scritta, al seguente indirizzo:

Rothschild & Co Asset Management Europe - Service Commercial 29, avenue de Messine 75008 Paris.

Il valore patrimoniale netto verrà pubblicato sul sito internet della società di gestione: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

La normativa in materia fiscale dello Stato membro d'origine dell'OICVM potrebbe avere un impatto sulla situazione fiscale personale dell'investitore.

Rothschild & Co Asset Management Europe può essere ritenuta responsabile esclusivamente sulla base delle dichiarazioni contenute nel presente documento che risultano fuorvianti, inesatte o incoerenti rispetto alle corrispondenti parti del prospetto per l'OICVM.

Questo OICVM può essere costituito da azioni di altro tipo. Maggiori informazioni su tali azioni sono disponibili nel prospetto dell'OICVM o sul seguente sito Internet: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

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Rothschild & Co Asset Management Europe è autorizzata in Francia e regolamentata dall'*Autorité des Marchés Financiers*.

I dettagli della politica di remunerazione aggiornata della società di gestione sono disponibili sul sito internet [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com). Un esemplare cartaceo della politica di remunerazione è disponibile gratuitamente su richiesta presso la sede legale della società di gestione.

Le informazioni chiave per gli investitori qui riportate sono esatte alla data del 23 settembre 2020.

## Informazioni chiave per gli investitori

Il presente documento contiene le informazioni chiave di cui tutti gli investitori devono disporre in relazione a questo OICVM. Non si tratta di un documento promozionale. Le informazioni contenute nel presente documento, richieste dalla legge, hanno lo scopo di aiutare gli investitori a capire la natura di questo OIC e i rischi a esso connessi. Si raccomanda di prenderne visione, in modo da operare una scelta informata in merito all'opportunità di investire.



# R-co Valor Balanced

Comparto della SICAV R-co  
Questo OICVM è gestito da Rothschild & Co Asset Management Europe  
Codice ISIN: FR0013367265 (Azione C EUR)

## Obiettivi e politica d'investimento

L'obiettivo di gestione del comparto R-co Valor Balanced (il "Fondo") consiste nella ricerca della crescita del capitale, in un orizzonte d'investimento consigliato compreso tra 3 e 5 anni, tramite l'esposizione ai mercati azionari e dei tassi con un profilo bilanciato. Il Fondo è gestito attivamente e in maniera discrezionale. Il Fondo non fa riferimento a nessun indice. Al fine di conseguire l'obiettivo di gestione, il Fondo sarà investito per metà dei propri attivi nella strategia "Valor" e per l'altra metà degli attivi nella strategia "Euro Crédit" di Rothschild & Co Asset Management Europe, descritte di seguito.

La strategia "Valor" si propone come obiettivo la ricerca di rendimento attraverso l'attuazione di una gestione discrezionale poggiante soprattutto sulla previsione dell'evoluzione dei diversi mercati (azioni, tassi) e sulla selezione di strumenti finanziari fondata sull'analisi finanziaria delle società.

La strategia "Euro Crédit" si basa sulla ricerca di fonti di valore aggiunto su tutte le leve della gestione dei prodotti di tasso, sul posizionamento in termini di sensibilità sulla curva dei tassi e sull'allocazione rispetto ai diversi emittenti. Questa è definita secondo l'allocazione geografica e settoriale, la selezione degli emittenti e delle emissioni.

Queste 2 strategie rispetteranno i seguenti limiti di allocazione:

- 0-55% in azioni di qualsiasi volume di capitalizzazione (con un massimo del 10% in azioni a bassa capitalizzazione), con il gestore che tenderà tuttavia di esporre il Fondo alle azioni nella misura massima del 50% del patrimonio,

- 45-100% in prodotti di tasso, tra cui in particolare in obbligazioni convertibili (fino a un massimo del 15%), in obbligazioni

subordinate fino al 50% del patrimonio, di cui al massimo il 20% in obbligazioni contingente convertibile. L'esposizione ai debiti high yield non sarà superiore al 15% del patrimonio,

- 0-10% in quote e/o azioni di OIC.

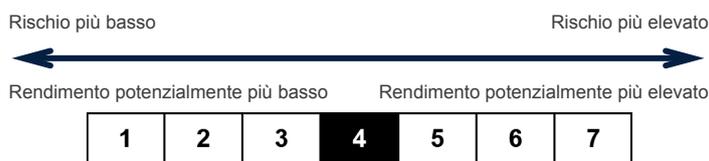
L'esposizione del Fondo (i) al mercato azionario, inclusa quella ai paesi non OCSE, compresi i paesi emergenti, non supererà il 55% del patrimonio, (ii) ai debiti dei paesi non appartenenti all'OCSE, compresi i paesi emergenti, non supererà il 10% del patrimonio e (iii) al rischio di cambio, eurozona esclusa, è limitata al 55% del patrimonio.

Al fine di conseguire l'obiettivo di gestione, il gestore potrà assumere posizioni sui mercati regolamentati organizzati o over-the-counter, al fine di coprire e/o di esporre il portafoglio ai mercati azionari, delle valute, creditizi e dei tassi (in particolare attraverso future, opzioni, swap, cambi a termine e derivati di credito). L'esposizione globale del Fondo a tali mercati, ivi compresa l'esposizione indotta dall'uso degli strumenti finanziari a termine, non supererà il 200% del patrimonio.

Frequenza di valorizzazione: quotidiana. Centralizzazione degli ordini di sottoscrizione/rimborso ("S/R"): ogni giorno alle ore 16:00 (VP-1) presso Rothschild Martin Maurel. Esecuzione degli ordini: VP del giorno lavorativo seguente. Data di regolamento S/R: VP+2 giorni lavorativi. Questa azione è un'azione di accumulazione.

Raccomandazione: questo Fondo potrebbe non essere indicato per gli investitori che prevedono di ritirare il proprio capitale entro 3-5 anni.

## Profilo di rischio e di rendimento



Il livello di rischio di questo comparto è di 4 (volatilità compresa fra il 5% e il 10%) e riflette principalmente una politica di gestione discrezionale che espone il portafoglio ai mercati azionari e dei prodotti di tasso con un profilo bilanciato.

• I dati storici utilizzati per il calcolo di questo indicatore sintetico potrebbero non costituire un'indicazione affidabile circa il futuro profilo di rischio del comparto.

• La categoria di rischio associata al comparto non è garantita e potrebbe subire nel tempo variazioni sia positive che negative.

• Si noti che la categoria più bassa non indica un investimento privo di rischio.

• Il capitale non è garantito.

Altri rischi che rivestono importanza significativa e che non sono adeguatamente rilevati dall'indicatore:

• Rischio di credito: rischio che l'emittente di uno strumento finanziario non assolva, anche solo in parte, agli obblighi di rimborso del capitale e di pagamento degli interessi.

• Rischio di controparte: rischio di insolvenza di una controparte a un'operazione over-the-counter (swap, pensione). Tali rischi possono incidere negativamente sul valore patrimoniale dell'OIC.

• Influenza di tecniche quali i prodotti derivati: l'utilizzo dei prodotti derivati può amplificare l'impatto degli effetti dei movimenti di mercato del portafoglio.

Il verificarsi di uno di questi rischi potrà determinare una diminuzione del valore patrimoniale netto del comparto.

Per maggiori informazioni sul profilo di rischio e sui principali fattori che lo influenzano, si invita a consultare il prospetto.

## Spese

Le spese e le commissioni servono a coprire i costi operativi del comparto, inclusi quelli di commercializzazione e distribuzione delle azioni. Queste spese riducono il rendimento potenziale dell'investimento.

### Spese una tantum prelevate prima o dopo l'investimento

Spese di sottoscrizione	2,50%
Spese di rimborso	Non previste

Percentuali massime che possono essere prelevate dal vostro capitale prima che venga investito e/o prima che il rendimento dell'investimento venga distribuito. In alcuni casi, potreste pagare meno. L'investitore può ottenere presso il suo consulente o il suo distributore l'importo effettivo della spesa di sottoscrizione e di rimborso.

### Spese prelevate dall'OIC in un anno

Spese correnti (in % del patrimonio netto)	1,66%
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La percentuale delle spese correnti indicata si basa sulle spese dell'esercizio precedente chiuso a dicembre 2019. Quest'importo può variare da un esercizio all'altro. Le spese correnti non comprendono le commissioni legate al rendimento e le spese d'intermediazione, eccetto il caso di spese di sottoscrizione e/o di rimborso pagate dall'OIC quando acquista o vende quote/azioni di un altro veicolo di gestione collettiva.

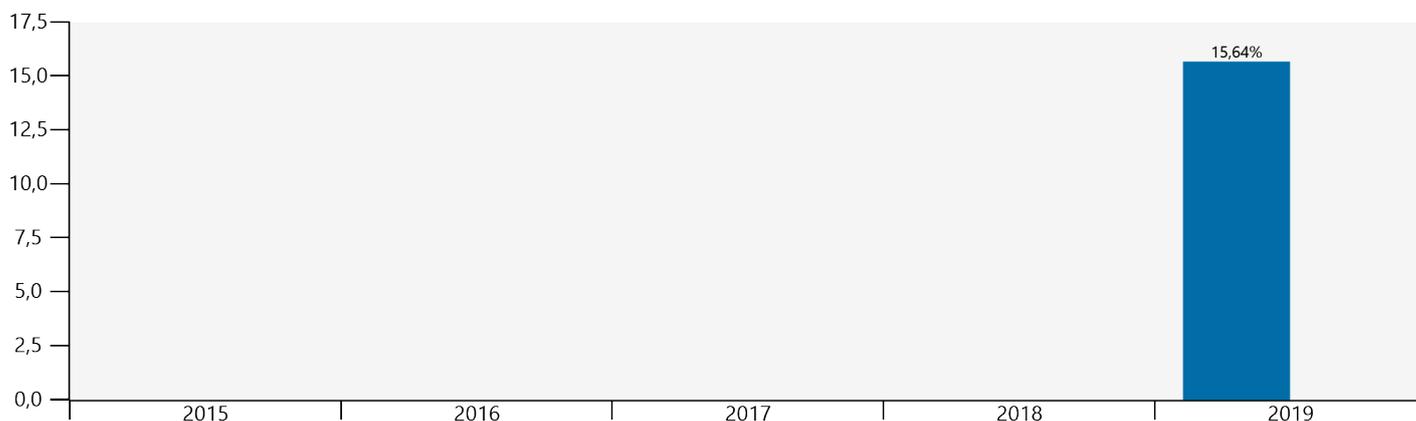
### Spese una tantum prelevate dall'OIC a determinate condizioni specifiche

Commissioni legate al rendimento	Non previste
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Per maggiori informazioni sulle spese, si rinvia alla sezione "Spese e commissioni" del prospetto di questo OICVM, disponibile su richiesta scritta all'indirizzo indicato nella sezione "Informazioni pratiche" sotto riportata.

## Risultati ottenuti nel passato

■ R-co Valor Balanced C EUR



Il comparto è stato creato nel **2018**.

Le Azioni "C EUR" sono state create in data 24/10/2018.

I rendimenti sono stati calcolati in EUR.

I rendimenti ottenuti nel passato non sono indicativi dei risultati futuri. I dati di rendimento includono gli oneri sullo stesso gravanti (le commissioni di gestione).

### Informazioni pratiche

La banca depositaria dell'OICVM è Rothschild Martin Maurel.

Il prospetto completo dell'OICVM e le ultime relazioni annuali e periodiche sono disponibili in lingua francese e si possono ottenere a titolo gratuito entro otto giorni lavorativi, su semplice richiesta scritta, al seguente indirizzo:

Rothschild & Co Asset Management Europe - Service Commercial 29, avenue de Messine 75008 Paris.

Il valore patrimoniale netto verrà pubblicato sul sito internet della società di gestione: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

La normativa in materia fiscale dello Stato membro d'origine dell'OICVM potrebbe avere un impatto sulla situazione fiscale personale dell'investitore.

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Dal momento che il comparto è stato creato il 24 ottobre 2018, le sue performance potranno essere presentate soltanto al termine di un esercizio completo.

Questo comparto può essere costituito da azioni di altro tipo. Maggiori informazioni su tali azioni sono disponibili nel prospetto dell'OICVM o sul seguente sito Internet: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

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Le informazioni chiave per gli investitori qui riportate sono esatte alla data dell'11 febbraio 2020.

## Informazioni chiave per gli investitori

Il presente documento contiene le informazioni chiave di cui tutti gli investitori devono disporre in relazione a questo OICVM. Non si tratta di un documento promozionale. Le informazioni contenute nel presente documento, richieste dalla legge, hanno lo scopo di aiutare gli investitori a capire la natura di questo OIC e i rischi a esso connessi. Si raccomanda di prenderne visione, in modo da operare una scelta informata in merito all'opportunità di investire.



# R-co Valor Balanced

Comparto della SICAV R-co  
Questo OICVM è gestito da Rothschild & Co Asset Management Europe  
Codice ISIN: FR0013367281 (Azione F EUR)

## Obiettivi e politica d'investimento

L'obiettivo di gestione del comparto R-co Valor Balanced (il "Fondo") consiste nella ricerca della crescita del capitale, in un orizzonte d'investimento consigliato compreso tra 3 e 5 anni, tramite l'esposizione ai mercati azionari e dei tassi con un profilo bilanciato. Il Fondo è gestito attivamente e in maniera discrezionale. Il Fondo non fa riferimento a nessun indice. Al fine di conseguire l'obiettivo di gestione, il Fondo sarà investito per metà dei propri attivi nella strategia "Valor" e per l'altra metà degli attivi nella strategia "Euro Crédit" di Rothschild & Co Asset Management Europe, descritte di seguito.

La strategia "Valor" si propone come obiettivo la ricerca di rendimento attraverso l'attuazione di una gestione discrezionale poggiante soprattutto sulla previsione dell'evoluzione dei diversi mercati (azioni, tassi) e sulla selezione di strumenti finanziari fondata sull'analisi finanziaria delle società.

La strategia "Euro Crédit" si basa sulla ricerca di fonti di valore aggiunto su tutte le leve della gestione dei prodotti di tasso, sul posizionamento in termini di sensibilità sulla curva dei tassi e sull'allocazione rispetto ai diversi emittenti. Questa è definita secondo l'allocazione geografica e settoriale, la selezione degli emittenti e delle emissioni.

Queste 2 strategie rispetteranno i seguenti limiti di allocazione:

- 0-55% in azioni di qualsiasi volume di capitalizzazione (con un massimo del 10% in azioni a bassa capitalizzazione), con il gestore che tenderà tuttavia di esporre il Fondo alle azioni nella misura massima del 50% del patrimonio,

- 45-100% in prodotti di tasso, tra cui in particolare in obbligazioni convertibili (fino a un massimo del 15%), in obbligazioni

subordinate fino al 50% del patrimonio, di cui al massimo il 20% in obbligazioni contingente convertibile. L'esposizione ai debiti high yield non sarà superiore al 15% del patrimonio,

- 0-10% in quote e/o azioni di OIC.

L'esposizione del Fondo (i) al mercato azionario, inclusa quella ai paesi non OCSE, compresi i paesi emergenti, non supererà il 55% del patrimonio, (ii) ai debiti dei paesi non appartenenti all'OCSE, compresi i paesi emergenti, non supererà il 10% del patrimonio e (iii) al rischio di cambio, eurozona esclusa, è limitata al 55% del patrimonio.

Al fine di conseguire l'obiettivo di gestione, il gestore potrà assumere posizioni sui mercati regolamentati organizzati o over-the-counter, al fine di coprire e/o di esporre il portafoglio ai mercati azionari, delle valute, creditizi e dei tassi (in particolare attraverso future, opzioni, swap, cambi a termine e derivati di credito). L'esposizione globale del Fondo a tali mercati, ivi compresa l'esposizione indotta dall'uso degli strumenti finanziari a termine, non supererà il 200% del patrimonio.

Frequenza di valorizzazione: quotidiana. Centralizzazione degli ordini di sottoscrizione/rimborso ("S/R"): ogni giorno alle ore 16:00 (VP-1) presso Rothschild Martin Maurel. Esecuzione degli ordini: VP del giorno lavorativo seguente. Data di regolamento S/R: VP+2 giorni lavorativi. Questa azione è un'azione di accumulazione.

Raccomandazione: questo Fondo potrebbe non essere indicato per gli investitori che prevedono di ritirare il proprio capitale entro 3-5 anni.

## Profilo di rischio e di rendimento



Il livello di rischio di questo comparto è di 4 (volatilità compresa fra il 5% e il 10%) e riflette principalmente una politica di gestione discrezionale che espone il portafoglio ai mercati azionari e dei prodotti di tasso con un profilo bilanciato.

• I dati storici utilizzati per il calcolo di questo indicatore sintetico potrebbero non costituire un'indicazione affidabile circa il futuro profilo di rischio del comparto.

• La categoria di rischio associata al comparto non è garantita e potrebbe subire nel tempo variazioni sia positive che negative.

• Si noti che la categoria più bassa non indica un investimento privo di rischio.

• Il capitale non è garantito.

Altri rischi che rivestono importanza significativa e che non sono adeguatamente rilevati dall'indicatore:

• Rischio di credito: rischio che l'emittente di uno strumento finanziario non assolva, anche solo in parte, agli obblighi di rimborso del capitale e di pagamento degli interessi.

• Rischio di controparte: rischio di insolvenza di una controparte a un'operazione over-the-counter (swap, pensione). Tali rischi possono incidere negativamente sul valore patrimoniale dell'OIC.

• Influenza di tecniche quali i prodotti derivati: l'utilizzo dei prodotti derivati può amplificare l'impatto degli effetti dei movimenti di mercato del portafoglio.

Il verificarsi di uno di questi rischi potrà determinare una diminuzione del valore patrimoniale netto del comparto.

Per maggiori informazioni sul profilo di rischio e sui principali fattori che lo influenzano, si invita a consultare il prospetto.

## Spese

Le spese e le commissioni servono a coprire i costi operativi del comparto, inclusi quelli di commercializzazione e distribuzione delle azioni. Queste spese riducono il rendimento potenziale dell'investimento.

### Spese una tantum prelevate prima o dopo l'investimento

Spese di sottoscrizione	2,50%
Spese di rimborso	Non previste

Percentuali massime che possono essere prelevate dal vostro capitale prima che venga investito e/o prima che il rendimento dell'investimento venga distribuito. In alcuni casi, potreste pagare meno. L'investitore può ottenere presso il suo consulente o il suo distributore l'importo effettivo della spesa di sottoscrizione e di rimborso.

### Spese prelevate dall'OIC in un anno

Spese correnti (in % del patrimonio netto)	2,01%
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La percentuale delle spese correnti indicata si basa sulle spese dell'esercizio precedente chiuso a dicembre 2019. Quest'importo può variare da un esercizio all'altro. Le spese correnti non comprendono le commissioni legate al rendimento e le spese d'intermediazione, eccetto il caso di spese di sottoscrizione e/o di rimborso pagate dall'OIC quando acquista o vende quote/azioni di un altro veicolo di gestione collettiva.

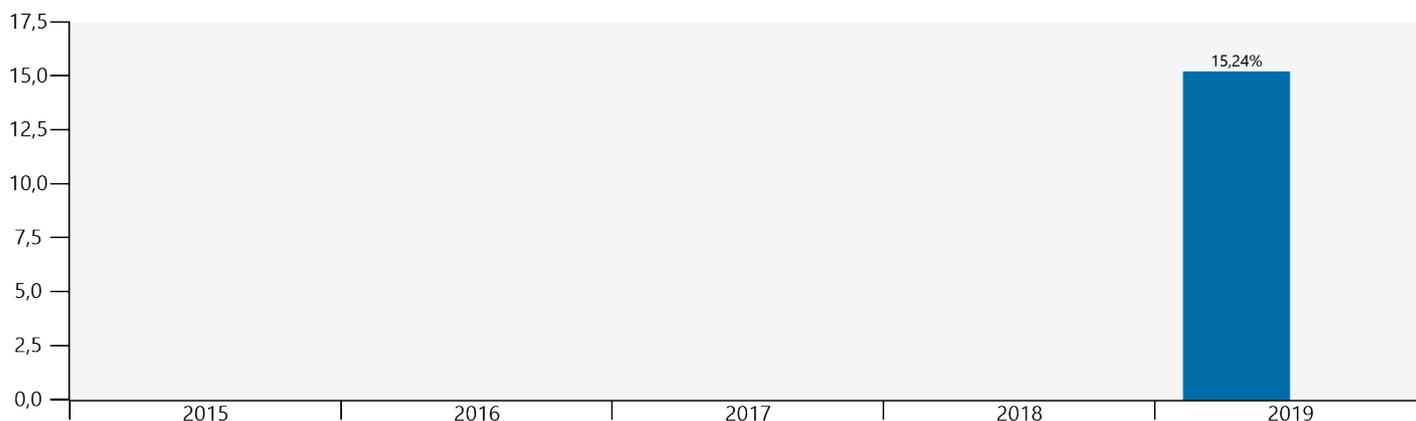
### Spese una tantum prelevate dall'OIC a determinate condizioni specifiche

Commissioni legate al rendimento	Non previste
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Per maggiori informazioni sulle spese, si rinvia alla sezione "Spese e commissioni" del prospetto di questo OICVM, disponibile su richiesta scritta all'indirizzo indicato nella sezione "Informazioni pratiche" sotto riportata.

## Risultati ottenuti nel passato

■ R-co Valor Balanced F EUR



Il comparto è stato creato nel **2018**.

Le Azioni "F EUR" sono state create in data 24/10/2018.

I rendimenti sono stati calcolati in EUR.

I rendimenti ottenuti nel passato non sono indicativi dei risultati futuri. I dati di rendimento includono gli oneri sullo stesso gravanti (le commissioni di gestione).

### Informazioni pratiche

La banca depositaria dell'OICVM è Rothschild Martin Maurel.

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Dal momento che il comparto è stato creato il 24 ottobre 2018, le sue performance potranno essere presentate soltanto al termine di un esercizio completo.

Questo comparto può essere costituito da azioni di altro tipo. Maggiori informazioni su tali azioni sono disponibili nel prospetto dell'OICVM o sul seguente sito Internet: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

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Le informazioni chiave per gli investitori qui riportate sono esatte alla data dell'11 febbraio 2020.

## Informazioni chiave per gli investitori

Il presente documento contiene le informazioni chiave di cui tutti gli investitori devono disporre in relazione a questo OICVM. Non si tratta di un documento promozionale. Le informazioni contenute nel presente documento, richieste dalla legge, hanno lo scopo di aiutare gli investitori a capire la natura di questo OIC e i rischi a esso connessi. Si raccomanda di prenderne visione, in modo da operare una scelta informata in merito all'opportunità di investire.



# R-co Valor Balanced

Comparto della SICAV R-co  
Questo OICVM è gestito da Rothschild & Co Asset Management Europe  
Codice ISIN: FR0013367299 (Azione P EUR)

## Obiettivi e politica d'investimento

L'obiettivo di gestione del comparto R-co Valor Balanced (il "Fondo") consiste nella ricerca della crescita del capitale, in un orizzonte d'investimento consigliato compreso tra 3 e 5 anni, tramite l'esposizione ai mercati azionari e dei tassi con un profilo bilanciato. Il Fondo è gestito attivamente e in maniera discrezionale. Il Fondo non fa riferimento a nessun indice. Al fine di conseguire l'obiettivo di gestione, il Fondo sarà investito per metà dei propri attivi nella strategia "Valor" e per l'altra metà degli attivi nella strategia "Euro Crédit" di Rothschild & Co Asset Management Europe, descritte di seguito.

La strategia "Valor" si propone come obiettivo la ricerca di rendimento attraverso l'attuazione di una gestione discrezionale poggiante soprattutto sulla previsione dell'evoluzione dei diversi mercati (azioni, tassi) e sulla selezione di strumenti finanziari fondata sull'analisi finanziaria delle società.

La strategia "Euro Crédit" si basa sulla ricerca di fonti di valore aggiunto su tutte le leve della gestione dei prodotti di tasso, sul posizionamento in termini di sensibilità sulla curva dei tassi e sull'allocazione rispetto ai diversi emittenti. Questa è definita secondo l'allocazione geografica e settoriale, la selezione degli emittenti e delle emissioni.

Queste 2 strategie rispetteranno i seguenti limiti di allocazione:

- 0-55% in azioni di qualsiasi volume di capitalizzazione (con un massimo del 10% in azioni a bassa capitalizzazione), con il gestore che tenderà tuttavia di esporre il Fondo alle azioni nella misura massima del 50% del patrimonio,

- 45-100% in prodotti di tasso, tra cui in particolare in obbligazioni convertibili (fino a un massimo del 15%), in obbligazioni

subordinate fino al 50% del patrimonio, di cui al massimo il 20% in obbligazioni contingente convertibile. L'esposizione ai debiti high yield non sarà superiore al 15% del patrimonio,

- 0-10% in quote e/o azioni di OIC.

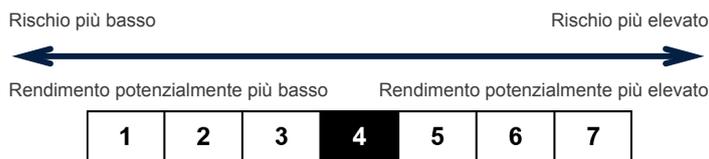
L'esposizione del Fondo (i) al mercato azionario, inclusa quella ai paesi non OCSE, compresi i paesi emergenti, non supererà il 55% del patrimonio, (ii) ai debiti dei paesi non appartenenti all'OCSE, compresi i paesi emergenti, non supererà il 10% del patrimonio e (iii) al rischio di cambio, eurozona esclusa, è limitata al 55% del patrimonio.

Al fine di conseguire l'obiettivo di gestione, il gestore potrà assumere posizioni sui mercati regolamentati organizzati o over-the-counter, al fine di coprire e/o di esporre il portafoglio ai mercati azionari, delle valute, creditizi e dei tassi (in particolare attraverso future, opzioni, swap, cambi a termine e derivati di credito). L'esposizione globale del Fondo a tali mercati, ivi compresa l'esposizione indotta dall'uso degli strumenti finanziari a termine, non supererà il 200% del patrimonio.

Frequenza di valorizzazione: quotidiana. Centralizzazione degli ordini di sottoscrizione/rimborso ("S/R"): ogni giorno alle ore 16:00 (VP-1) presso Rothschild Martin Maurel. Esecuzione degli ordini: VP del giorno lavorativo seguente. Data di regolamento S/R: VP+2 giorni lavorativi. Questa azione è un'azione di accumulazione.

Raccomandazione: questo Fondo potrebbe non essere indicato per gli investitori che prevedono di ritirare il proprio capitale entro 3-5 anni.

## Profilo di rischio e di rendimento



Il livello di rischio di questo comparto è di 4 (volatilità compresa fra il 5% e il 10%) e riflette principalmente una politica di gestione discrezionale che espone il portafoglio ai mercati azionari e dei prodotti di tasso con un profilo bilanciato.

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• La categoria di rischio associata al comparto non è garantita e potrebbe subire nel tempo variazioni sia positive che negative.

• Si noti che la categoria più bassa non indica un investimento privo di rischio.

• Il capitale non è garantito.

Altri rischi che rivestono importanza significativa e che non sono adeguatamente rilevati dall'indicatore:

• Rischio di credito: rischio che l'emittente di uno strumento finanziario non assolva, anche solo in parte, agli obblighi di rimborso del capitale e di pagamento degli interessi.

• Rischio di controparte: rischio di insolvenza di una controparte a un'operazione over-the-counter (swap, pensione). Tali rischi possono incidere negativamente sul valore patrimoniale dell'OIC.

• Influenza di tecniche quali i prodotti derivati: l'utilizzo dei prodotti derivati può amplificare l'impatto degli effetti dei movimenti di mercato del portafoglio.

Il verificarsi di uno di questi rischi potrà determinare una diminuzione del valore patrimoniale netto del comparto.

Per maggiori informazioni sul profilo di rischio e sui principali fattori che lo influenzano, si invita a consultare il prospetto.

## Spese

Le spese e le commissioni servono a coprire i costi operativi del comparto, inclusi quelli di commercializzazione e distribuzione delle azioni. Queste spese riducono il rendimento potenziale dell'investimento.

### Spese una tantum prelevate prima o dopo l'investimento

Spese di sottoscrizione	2,50%
Spese di rimborso	Non previste

Percentuali massime che possono essere prelevate dal vostro capitale prima che venga investito e/o prima che il rendimento dell'investimento venga distribuito. In alcuni casi, potreste pagare meno. L'investitore può ottenere presso il suo consulente o il suo distributore l'importo effettivo della spesa di sottoscrizione e di rimborso.

### Spese prelevate dall'OIC in un anno

Spese correnti (in % del patrimonio netto)	1,16%
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La percentuale delle spese correnti indicata si basa sulle spese dell'esercizio precedente chiuso a dicembre 2019. Quest'importo può variare da un esercizio all'altro. Le spese correnti non comprendono le commissioni legate al rendimento e le spese d'intermediazione, eccetto il caso di spese di sottoscrizione e/o di rimborso pagate dall'OIC quando acquista o vende quote/azioni di un altro veicolo di gestione collettiva.

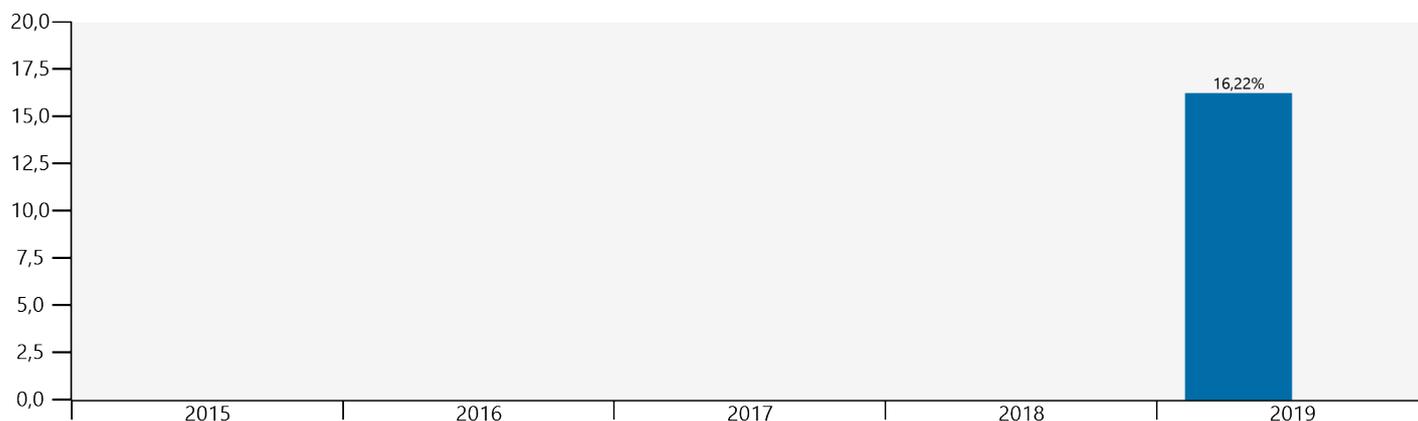
### Spese una tantum prelevate dall'OIC a determinate condizioni specifiche

Commissioni legate al rendimento	Non previste
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Per maggiori informazioni sulle spese, si rinvia alla sezione "Spese e commissioni" del prospetto di questo OICVM, disponibile su richiesta scritta all'indirizzo indicato nella sezione "Informazioni pratiche" sotto riportata.

## Risultati ottenuti nel passato

■ R-co Valor Balanced P EUR



Il comparto è stato creato nel **2018**.

Le Azioni "P EUR" sono state create in data 24/10/2018.

I rendimenti sono stati calcolati in EUR.

I rendimenti ottenuti nel passato non sono indicativi dei risultati futuri. I dati di rendimento includono gli oneri sullo stesso gravanti (le commissioni di gestione).

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Il valore patrimoniale netto verrà pubblicato sul sito internet della società di gestione: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

La normativa in materia fiscale dello Stato membro d'origine dell'OICVM potrebbe avere un impatto sulla situazione fiscale personale dell'investitore.

Rothschild & Co Asset Management Europe può essere ritenuta responsabile esclusivamente sulla base delle dichiarazioni contenute nel presente documento che risultano fuorvianti, inesatte o incoerenti rispetto alle corrispondenti parti del prospetto per l'OICVM.

Dal momento che il comparto è stato creato il 24 ottobre 2018, le sue performance potranno essere presentate soltanto al termine di un esercizio completo.

Questo comparto può essere costituito da azioni di altro tipo. Maggiori informazioni su tali azioni sono disponibili nel prospetto dell'OICVM o sul seguente sito Internet: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

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I dettagli della politica di remunerazione aggiornata della società di gestione sono disponibili sul sito internet [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com). Un esemplare cartaceo della politica di remunerazione è disponibile gratuitamente su richiesta presso la sede legale della società di gestione.

Le informazioni chiave per gli investitori qui riportate sono esatte alla data dell'11 febbraio 2020.

## Informazioni chiave per gli investitori

Il presente documento contiene le informazioni chiave di cui tutti gli investitori devono disporre in relazione a questo OICVM. Non si tratta di un documento promozionale. Le informazioni contenute nel presente documento, richieste dalla legge, hanno lo scopo di aiutare gli investitori a capire la natura di questo OIC e i rischi a esso connessi. Si raccomanda di prenderne visione, in modo da operare una scelta informata in merito all'opportunità di investire.



# R-co Valor Balanced

Comparto della SICAV R-co  
Questo OICVM è gestito da Rothschild & Co Asset Management Europe  
Codice ISIN: FR0013367356 (Azione R EUR)

## Obiettivi e politica d'investimento

L'obiettivo di gestione del comparto R-co Valor Balanced (il "Fondo") consiste nella ricerca della crescita del capitale, in un orizzonte d'investimento consigliato compreso tra 3 e 5 anni, tramite l'esposizione ai mercati azionari e dei tassi con un profilo bilanciato. Il Fondo è gestito attivamente e in maniera discrezionale. Il Fondo non fa riferimento a nessun indice. Al fine di conseguire l'obiettivo di gestione, il Fondo sarà investito per metà dei propri attivi nella strategia "Valor" e per l'altra metà degli attivi nella strategia "Euro Crédit" di Rothschild & Co Asset Management Europe, descritte di seguito.

La strategia "Valor" si propone come obiettivo la ricerca di rendimento attraverso l'attuazione di una gestione discrezionale poggiante soprattutto sulla previsione dell'evoluzione dei diversi mercati (azioni, tassi) e sulla selezione di strumenti finanziari fondata sull'analisi finanziaria delle società.

La strategia "Euro Crédit" si basa sulla ricerca di fonti di valore aggiunto su tutte le leve della gestione dei prodotti di tasso, sul posizionamento in termini di sensibilità sulla curva dei tassi e sull'allocazione rispetto ai diversi emittenti. Questa è definita secondo l'allocazione geografica e settoriale, la selezione degli emittenti e delle emissioni.

Queste 2 strategie rispetteranno i seguenti limiti di allocazione:

- 0-55% in azioni di qualsiasi volume di capitalizzazione (con un massimo del 10% in azioni a bassa capitalizzazione), con il gestore che tenderà tuttavia di esporre il Fondo alle azioni nella misura massima del 50% del patrimonio,

- 45-100% in prodotti di tasso, tra cui in particolare in obbligazioni convertibili (fino a un massimo del 15%), in obbligazioni

subordinate fino al 50% del patrimonio, di cui al massimo il 20% in obbligazioni contingente convertibile. L'esposizione ai debiti high yield non sarà superiore al 15% del patrimonio,

- 0-10% in quote e/o azioni di OIC.

L'esposizione del Fondo (i) al mercato azionario, inclusa quella ai paesi non OCSE, compresi i paesi emergenti, non supererà il 55% del patrimonio, (ii) ai debiti dei paesi non appartenenti all'OCSE, compresi i paesi emergenti, non supererà il 10% del patrimonio e (iii) al rischio di cambio, eurozona esclusa, è limitata al 55% del patrimonio.

Al fine di conseguire l'obiettivo di gestione, il gestore potrà assumere posizioni sui mercati regolamentati organizzati o over-the-counter, al fine di coprire e/o di esporre il portafoglio ai mercati azionari, delle valute, creditizi e dei tassi (in particolare attraverso future, opzioni, swap, cambi a termine e derivati di credito). L'esposizione globale del Fondo a tali mercati, ivi compresa l'esposizione indotta dall'uso degli strumenti finanziari a termine, non supererà il 200% del patrimonio.

Frequenza di valorizzazione: quotidiana. Centralizzazione degli ordini di sottoscrizione/rimborso ("S/R"): ogni giorno alle ore 16:00 (VP-1) presso Rothschild Martin Maurel. Esecuzione degli ordini: VP del giorno lavorativo seguente. Data di regolamento S/R: VP+2 giorni lavorativi. Questa azione è un'azione di accumulazione.

Raccomandazione: questo Fondo potrebbe non essere indicato per gli investitori che prevedono di ritirare il proprio capitale entro 3-5 anni.

## Profilo di rischio e di rendimento



Il livello di rischio di questo comparto è di 4 (volatilità compresa fra il 5% e il 10%) e riflette principalmente una politica di gestione discrezionale che espone il portafoglio ai mercati azionari e dei prodotti di tasso con un profilo bilanciato.

- I dati storici utilizzati per il calcolo di questo indicatore sintetico potrebbero non costituire un'indicazione affidabile circa il futuro profilo di rischio del comparto.
- La categoria di rischio associata al comparto non è garantita e potrebbe subire nel tempo variazioni sia positive che negative.
- Si noti che la categoria più bassa non indica un investimento privo di rischio.

- Il capitale non è garantito.

Altri rischi che rivestono importanza significativa e che non sono adeguatamente rilevati dall'indicatore:

- Rischio di credito: rischio che l'emittente di uno strumento finanziario non assolva, anche solo in parte, agli obblighi di rimborso del capitale e di pagamento degli interessi.
- Rischio di controparte: rischio di insolvenza di una controparte a un'operazione over-the-counter (swap, pensione). Tali rischi possono incidere negativamente sul valore patrimoniale dell'OIC.
- Influenza di tecniche quali i prodotti derivati: l'utilizzo dei prodotti derivati può amplificare l'impatto degli effetti dei movimenti di mercato del portafoglio.

Il verificarsi di uno di questi rischi potrà determinare una diminuzione del valore patrimoniale netto del comparto.

Per maggiori informazioni sul profilo di rischio e sui principali fattori che lo influenzano, si invita a consultare il prospetto.

## Spese

Le spese e le commissioni servono a coprire i costi operativi del comparto, inclusi quelli di commercializzazione e distribuzione delle azioni. Queste spese riducono il rendimento potenziale dell'investimento.

### Spese una tantum prelevate prima o dopo l'investimento

Spese di sottoscrizione	Non previste
Spese di rimborso	Non previste

Percentuali massime che possono essere prelevate dal vostro capitale prima che venga investito e/o prima che il rendimento dell'investimento venga distribuito. In alcuni casi, potreste pagare meno. L'investitore può ottenere presso il suo consulente o il suo distributore l'importo effettivo della spesa di sottoscrizione e di rimborso.

### Spese prelevate dall'OIC in un anno

Spese correnti (in % del patrimonio netto)	2,51%
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La percentuale delle spese correnti indicata si basa sulle spese dell'esercizio precedente chiuso a dicembre 2019. Quest'importo può variare da un esercizio all'altro. Le spese correnti non comprendono le commissioni legate al rendimento e le spese d'intermediazione, eccetto il caso di spese di sottoscrizione e/o di rimborso pagate dall'OIC quando acquista o vende quote/azioni di un altro veicolo di gestione collettiva.

### Spese una tantum prelevate dall'OIC a determinate condizioni specifiche

Commissioni legate al rendimento	Non previste
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Per maggiori informazioni sulle spese, si rinvia alla sezione "Spese e commissioni" del prospetto di questo OICVM, disponibile su richiesta scritta all'indirizzo indicato nella sezione "Informazioni pratiche" sotto riportata.

## Risultati ottenuti nel passato

### Dati insufficienti

Il comparto è stato creato nel 2018.

Le Azioni "R EUR" sono state create in data 24/10/2018.

I rendimenti sono stati calcolati in EUR.

I rendimenti ottenuti nel passato non sono indicativi dei risultati futuri. I dati di rendimento includono gli oneri sullo stesso gravanti (le commissioni di gestione).

Dal momento che il comparto è stato creato il 24 ottobre 2018, le sue performance potranno essere presentate soltanto al termine di un esercizio completo.

### Informazioni pratiche

La banca depositaria dell'OICVM è Rothschild Martin Maurel.

Il prospetto completo dell'OICVM e le ultime relazioni annuali e periodiche sono disponibili in lingua francese e si possono ottenere a titolo gratuito entro otto giorni lavorativi, su semplice richiesta scritta, al seguente indirizzo:

Rothschild & Co Asset Management Europe - Service Commercial 29, avenue de Messine 75008 Paris.

Il valore patrimoniale netto verrà pubblicato sul sito internet della società di gestione: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

La normativa in materia fiscale dello Stato membro d'origine dell'OICVM potrebbe avere un impatto sulla situazione fiscale personale dell'investitore.

Rothschild & Co Asset Management Europe può essere ritenuta responsabile esclusivamente sulla base delle dichiarazioni contenute nel presente documento che risultano fuorvianti, inesatte o incoerenti rispetto alle corrispondenti parti del prospetto per l'OICVM.

Questo comparto può essere costituito da azioni di altro tipo. Maggiori informazioni su tali azioni sono disponibili nel prospetto dell'OICVM o sul seguente sito Internet: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com).

Il presente OICVM è autorizzato in Francia e regolamentato dall'*Autorité des Marchés Financiers*.

Rothschild & Co Asset Management Europe è autorizzata in Francia e regolamentata dall'*Autorité des Marchés Financiers*.

I dettagli della politica di remunerazione aggiornata della società di gestione sono disponibili sul sito internet [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com). Un esemplare cartaceo della politica di remunerazione è disponibile gratuitamente su richiesta presso la sede legale della società di gestione.

Le informazioni chiave per gli investitori qui riportate sono esatte alla data dell'11 febbraio 2020.