



Date of the last update : June ,28<sup>th</sup> 2018

## 1. General characteristics

### a. UCITS Structure

#### ▪ Fund name

SEXTANT PME

#### ▪ Legal form and member state in which the Fund is established

French-law common fund ("*Fonds commun de placement*" or "FCP").

Feeder common fund : None

Segment common fund : None

#### ▪ Creation date and expected life

The Fund was approved by the Securities Commission (French AMF) on : 29 November 2007.

It was created on : 17 December 2007.

For a period of 99 years.

#### ▪ Summary of the management offer

ISIN Code Units	Dividend policy	Base currency	Eligible subscribers	Minimum initial subscription amount <sup>(1) (2)</sup>	Fixed management fees	Performance fee	Subscription fees	Redemption fees	Initial net asset value
FR0010547869 A units	Accumulation	Euro	All subscribers	None	Maximum 2.2% including tax	15% (tax incl.) of the outperformance vs benchmark	Maximum 2%	Maximum 1%	€100
FR0011171412 I units	Accumulation	Euro	All subscribers, but especially for investor with the prior consent of the management company	3 000 000 €	Maximum 1% including tax	15% (tax incl.) of the outperformance vs benchmark	Maximum 10%	Maximum 1%	€1000
FR0013306370 N units	Accumulation	Euro	All subscribers, but especially: -Marketing networks with the prior consent of the management company. - Or distributors and/or brokers with the prior consent of the mgt Co and providing one of the following services: - Independent advisors as defined by regulation MIF2 - Individual management under mandate	100,000 euros except in swaps for Class A shares	Maximum 1.30% including tax	15% (tax incl.) of the outperformance vs benchmark	Maximum 5%	Maximum 1%	Liquidation value of Class A shares on the day of creation

<b>FR0010556753 Z units</b>	Accumulation	Euro	The management company, its personnel and related vehicles	None	Maximum 0.1% including tax	None	None	None	€100
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<sup>(1)</sup>The management company or any component of the same group is exonerated from the obligation to subscribe the initial amount

<sup>(2)</sup> Subsequent subscriptions can be made in shares or fractions of shares where necessary.

The mutual fund has four share categories. These categories notably differ in terms of their nominal value, management fees, subscription/redemption commissions, as well as the distribution network(s) for which they are acquired. These differences are due to the fact that Class A shares are mainly for partners of the asset management company, third-party asset management companies, or investors directly. Class N shares are (i) reserved for marketing networks having received prior consent from the asset management company, or (ii) distributors and/or brokers having received prior consent from the asset management company and providing one of the following services: (a) independent advice as defined by regulation MIF2, or (b) individual management under mandate. Class Z shares are reserved for the asset management company, employees, and persons described under the heading "subscribers concerned". Lastly, Class I shares are specially for institutional investors having received prior consent from the asset management company.

#### ▪ **Indication of the place in which the last annual report and the last periodic statement can be obtained**

The latest annual report and the latest interim statement will be sent within one week simply upon written request by the holder to :

AMIRAL GESTION  
103 rue de Grenelle  
75007 Paris

These documents are also available on the Company's website : <http://www.amiralgestion.com>.

Further information can also be obtained, if necessary, from :

**Benjamin BIARD**  
Tél : +33 (0) 1 40 74 35 61  
E-mail : [bb@amiralgestion.com](mailto:bb@amiralgestion.com)

## b. Players

#### ▪ **Management Company**

AMIRAL GESTION – 103 rue de Grenelle – 75007 Paris

Simplified joint-stock company (Société par actions simplifiée) with fully-paid-up capital of €629,983, registered in the Paris Companies Registry (Registre du commerce et des sociétés, R.C.S.) under number 445 224 090.

The management company was authorised as a Portfolio Management Company on 28 February 2003 by the Commission des Opérations de Bourse under number GC 03-001.

#### ▪ **Depository and Custodian**

The functions of depository and custodian are assured by :

CACEIS BANK, credit institution authorised by ACPR, 1 place Valhubert - 75013 Paris

Subscription and redemption orders are centralized by the custodian.

In accordance with the Regulations in force, the responsibilities of the custodian include safeguarding assets, ensuring the regularity of decisions taken by the asset management company, and tracking of the mutual fund's liquidity flows.

The asset management company also delegates to the custodian management of the fund's liabilities, which includes the centralisation of subscription and redemption orders for shares in the fund, as well as keeping the issuance account for these shares.

The custodian is independent of the asset management company.

#### Delegates

A description of the safeguard functions delegated, the list of delegates and sub-delegates of CACEIS Bank France, and information about conflicts of interest that may arise as a result of these delegations, are available on the CACEIS website: [www.caceis.com](http://www.caceis.com).

Updated information is available to investors on request.



▪ **Auditors**

- « **Cabinet MBV & ASSOCIES** », 26 rue Cambacérès, 75008 Paris

Represented by Etienne de BRYAS.

- **Deloitte & Associés**, Tour Majunga 6 place de la Pyramide - 92908 Paris-La Défense Cedex France

Represented by Jean-Pierre VERCAMER.

▪ **Marketer(s)**

AMIRAL GESTION, 103 rue de Grenelle, 75007 Paris

▪ **Representative of administrative and accounting management**

CACEIS FUND ADMINISTRATION, 1 place Valhubert, 75013 PARIS

The representative assures the calculation of the net asset values and the legal follow-up of the Fund.

▪ **External advisors**

None

## 2. Operating and management procedures

### a. General characteristics

▪ **Units characteristics**

**Currency**

Units are denominated in euros (EUR).

**Rights attached to the classes of units**

In French law, a "Fonds Commun de Placement" (FCP investment fund) is a co-ownership of marketable securities (owned jointly) in which the rights of each co-owner are expressed in units and in which each unit corresponds to a fraction of the Fund's assets. Each unit holder therefore has a co-ownership right to the assets of the Fund proportional to the number of units they own.

**Liability management and registration procedures**

Management of the Fund's liabilities and hence the individual rights of each unit holder is performed by the custodian, CACEIS BANK FRANCE.

Administration of the units is performed by EUROCLEAR France.

**Voting rights**

Since it is a joint ownership, no voting rights are attached to the units issued by the FCP investment fund. Decisions concerning the Fund's operation are taken by the management company in the interests of the unit holders.

**Type of units**

Units are issued in bearer form. All units are decimalized, divided into ten thousandths of units.

▪ **End of financial year**

The annual accounts are closed each year at the last net asset value in December (first year-end: last net asset value in December 2008).

▪ **Information on tax treatment**

**Dominant tax purpose**

The Fund is eligible for PEA (Plan d'Epargne en Actions) as well as PEA-PME intended for the financing of small and midsize enterprises (said PEA PME). SEXTANT PME may be used within unit-linked life insurance policies.

**At Fund level**

Due to their co-ownership structure, "FCP" funds benefit from fiscal transparency and are not liable to corporation tax in France. In particular, capital gains on sales of securities performed within the scope of the Fund's investment objective are exempted from tax, provided that no natural person, acting directly or via an intermediary, own more than 10% of its units (Article 105-0 A, III-2 of the "Code Général des Impôts" (French General Tax Code)).

**At Unit holder level**

Unit holders are taxable directly on capital gains and losses, in accordance with the tax legislation.



On the principle of transparency, the tax authorities consider that the unit holder is the direct owner of a fraction of the financial instruments and liquid assets held in the Fund.

The applicable tax treatment is generally that for capital gains on marketable securities in the country of residence of the holder; in accordance with the rules appropriate to his (her) situation (natural person, legal entity liable to corporation tax, institutional supplementary pension fund, other cases, etc.). The rules applicable to holders who are French residents are stipulated by the "Code Général des Impôts" (General Tax Code).

For any income distribution, the taxation of the unit holders depends on the type of securities held in the portfolio.

The tax treatment for the subscription and redemption of units issued by the Fund depends on the tax legislation applicable to the particular situation of the investor and/or the Fund's investment jurisdiction.

Investors who are not sure of their tax situation should contact a professional financial adviser. This consultation could, depending on the case, be invoiced by the investor's adviser and will in no case be paid for by the Fund or the management company.

## b. Particular provisions

### ▪ ISIN codes

FR0010547869	A units
FR0010556753	Z units
FR0011171412	I units
FR0013306370	N units

### ▪ Classification

Equities in European Union countries

### ▪ Investment objective

The objective of SEXTANT PME is applying a discretionary strategy which aims to achieve performance through a PME selection of European ETI securities. Its investment horizon is over 5 years.

### ▪ Benchmark indicator

Investors should note that the index does not reflect a performance target for the Fund. As it has a discretionary managerial style (see below), the composition of the portfolio will never seek to replicate the composition of the benchmark indicator, (neither geographically nor via sectors). However, the CAC Small reinvested dividends could be considered as an a posteriori performance indicator.

The CAC Small reinvested net dividends groups 220 companies admitted at the Paris regulated markets for which capitalization of less than 1 billion is observed. This index is calculated by NYSE Euronext and its Bloomberg code : CS90.

### ▪ Investment strategy and management policy

To meet its investment objective, the fund Sextant SME is permanently investing in shares of small and medium cap stocks mostly French.

SEXTANT PME's strategy is based on strict stock picking, through fundamental analysis within the management company based on the following main criteria :

- Quality of the company's management
- Quality of its financial structure
- Earnings visibility
- Foreseeable future of the industry
- Company's policy toward minority shareholders (transparency of information, dividend distribution, etc.)
- Speculative aspects related to special situations such as takeover bids

Whenever possible, the management team endeavours to meet directly with the companies in which the Fund invests or is considering investing.

Investment decisions then depend primarily on the existence of a "safety margin", which is the difference between the company's intrinsic value, as assessed by the management team, and its market value (market capitalization). In this sense the strategy is based on value investing.

Investments are made with a view to holding for the long-term (more than two years).

The portion of the assets that has not been invested in shares, for want of opportunities offering a sufficient margin of safety, is then invested in interest rate money-market or bond products.

Sextant PME is invested at 75% minimum in shares and eligible securities at PEA, particularly focuses on the PME segments/ ETI of the European Union with a major part in French securities. Exposure to markets outside the EU is limited to 10% of assets.

### ▪ Eligible assets



### Equities (from 75% to 100% of net assets)

SEXTANT PME is primarily invested in eligible securities at PEA issued in the European Union and the European Economic Area. .

The minimum investment in shares and convertibles issued by PME / ETI EU is 50%. The proportion invested in equities depends exclusively on the investment opportunities detected by the managers on a case by case basis, and is not based on macroeconomic considerations.

The Fund may invest mostly in small and mid-caps companies (mainly French) to a maximum of 100% of its net assets.

### Debt securities and money market instruments (0 to 25% of its net assets)

The Fund may be invested in money market instruments to a maximum of 25% breaking down as follows :

- Cash holdings within the strict 10% limits of cash flow management requirements. Euro-denominated negotiable debt instruments of at most twelve months maturity. The short-term securities used will benefit from minimal ratings (Standard & Poor's A3 / Moody's P-3 / Fitch Ratings F3) or – if they are not rated – will be considered equivalents by the fund manager's research department.

However, the management company prefers choosing to invest cash in money market or dynamic money market funds classified by the AMF as "diversified UCITS" or "bond UCITS".

The fund can intervene on all bonds PME-ETI listed from 0 to 25%, including convertible bonds and bonds called "high performance" (not having a first quality signature) or unrated.

Investments in "high-yield" bonds and securities with a Standard & Poor's rating of less than BBB- shall not exceed 25% of assets.

Amiral Gestion will perform in-depth in-house research on any securities not reputed "Investment Grade", i.e., not having at least a BBB- rating from Standard & Poor's or an equivalent rating from another rating agency such as Moody's or Fitch Rating [Investment grade].

The Fund may also invest in bond-related securities (convertible bonds, bonds with warrants, equity investments).

### Investments in other UCITS/AIF and/or investment funds

The Fund may invest up to 10% of its assets in units of other French and/or European coordinated UCITS, chiefly through cash investment in euro-denominated money market funds (which may be dynamic money-market funds employing alternative management strategies, i.e., UCITS classified by the AMF as "diversified UCITS" or "bond UCITS"). Additionally, the Fund may invest in share or bond class UCITS compatible with the fund's management.

The Fund will never invest in non-coordinated foreign investment funds, or in UCITS other than those of a general nature (e.g. venture capital funds).

### Derivatives and securities with embedded derivatives

Transactions on derivatives instruments (buying of call or put options on equities, indices, fixed-income securities or currencies, and buying or selling of futures, forex forwards or swaps on equities, indices, fixed-income securities or currencies) and on securities with embedded derivatives will be carried out in order to achieve partial fund exposure to or hedging against favourable or unfavourable equities, index, fixed-income securities and currency trends.

There will be no overexposure.

Financial futures contracts relating to commodity indices will be established in accordance with the 5/10-20/40 ratio.

Call options will be sold on shares while holding the underlying shares, as part of strategies to optimise the return on shares in the portfolio.

Put options will be sold on shares as part of strategies for the potential acquisition of said shares at a price below the market price prevailing when the strategy was put in place.

### Deposits

The Fund may use deposits within the regulatory limits to optimize the management of its cash and manage the different value dates for subscription/redemption of the underlying money market. It can use up to 20% of its assets in deposits with the same credit institution.

This type of operation will be used in exceptional cases. The Fund may hold ancillary liquid assets, in particular to deal with redemptions by investors.

The fund may hold liquid assets on an ancillary basis, in particular to respond to redemptions of units by investors. The cash holding limit can be raised to 20% when exceptional market conditions justify this.

Cash lending is prohibited.

### Cash borrowing

The Fund may borrow cash which shall not exceed 10% of its assets. Although its object is not to be structurally a cash borrower, the Fund may find itself in a debtor position due to transactions related to its cash payments (investments and divestments in progress, subscription and redemption transactions, etc.).

### Securities sale and repurchase transactions

Use : Not applicable

#### ▪ Risk profile

Your money will mainly be invested in financial instruments selected by the management company. These instruments will be subject to the fluctuations and vagaries of the markets.

The holder of fund units will be chiefly exposed to the following risks :

#### 1. Capital risk



The Fund offers no guarantee or protection, and it is therefore possible that the capital initially invested may not be recovered in full.

## 2. Discretionary management risk

The Fund's performance will depend on the equities selected by the manager. There is a risk that the manager may not select the equities giving the best performances.

## 3. Equity risk

Share market fluctuations may result in major variations in the net asset value which may negatively impact the value of the Fund. As the Fund has at least 75% exposure to equities, the net asset value of the Fund may decrease significantly.

## 4. Equity portfolio liquidity risk

The Fund may invest in companies whose market capitalization is small.

The volume of traded securities is reduced. Market movements are more pronounced, rising or falling, and faster than large caps. The net asset value of the Fund may therefore assume the same behavior.

Accordingly, investors are warned that small and mid-cap markets are intended for the shares of companies which, due to their specific characteristics, may represent risks for the investor.

## 5. Credit risk

The Fund may invest in interest rate products. The credit risk is the potential risk of downgrading of the issuer's signature, which will have a negative impact on the security's price and therefore on the net asset value of the Fund.

Investment in high-yield securities (limited to 25% of the Fund's assets) having a low or no rating may increase the credit risk.

## 6. Interest-rate risk

The Fund may invest in interest rate products. The interest-rate risk is the risk of a rise in bond market rates, which causes a decrease in bond prices and as a consequence a decrease in the net asset value of the Fund.

## 7. Currency risk

The Fund may invest mostly in instruments denominated in foreign currencies outside the euro zone. Fluctuations of these currencies relative to the euro may have a negative effect on the Fund's net asset value. The currency risk is a possible depreciation of these currencies relative to the euro.

### ▪ Recommended minimum investment period

More than five years.

### ▪ Eligible subscribers and typical investor profile

#### Eligible subscribers

The "A" units are available to all investors. However, given the significant risk involved in equity investment, the Fund is primarily suitable for investors prepared to ride out the sharp fluctuations inherent in equity markets and having an investment horizon of at least five years.

The "Z" units are reserved exclusively for :

- the management company,
- the mutual funds of the management company,
- the management company's personnel (regular employees and managers) as well as their domestic partners, parents and children,
- to the employees of the asset management company ARTEMID SA, private debt subsidiary of the asset management company
- company investment funds intended for the management company's personnel,
- life and accumulation insurance companies for the equivalent of the amount that might be invested in a unit-linked policy representing Z units of the Fund as part of a life insurance policy or an accumulation policy taken out by a member of the management company's personnel as well as their domestic partners, parents and children.

Class I shares are for all subscribers and are especially suitable for institutional investors having received prior consent from the asset management company and whose initial subscription is no less than 3,000,000 euros (except for the asset management company which can acquire 1 share)

Class N shares are for all subscribers and especially:

- Marketing networks having received prior consent from the asset management company
- Or distributors and brokers having received prior consent from the asset management company and providing one of the following services:
  - independent advice as defined by regulation MIF2
  - individual management under mandate

SEXTANT PME may be used within unit-linked life insurance policies.

### FATCA



Shares in this mutual fund are not, and will not be, registered in the USA, in accordance with the amendment to the US Securities Act of 1933, or subject to any US law. The shares must not be offered, sold or transferred to the US (including US territories and possessions), or benefit – directly or indirectly – a US person (as defined by regulation S of the US Securities Act of 1933) and assimilated (e.g. the American HIRE Act of 18 March 2010 and the FATCA Act).

### Investor profile

The Fund is intended for investors who want exposure to the equity market in the sector related to natural resources and aware of the risks involved in this market.

The amount that can reasonably be invested depends on the investor's personal situation. To determine this amount, investors should take into account their personal wealth, their current needs and needs in five years' time, as well as their degree of risk aversion. Investors are also advised to sufficiently diversify their investments to avoid being over-exposed to the risks of this Fund. Purely as an indication, SEXTANT PME should not represent more than 10% of the investor's financial assets.

In all cases, investors are strongly advised to sufficiently diversify their investments to avoid being exposed solely to the risks of this Fund.

#### ▪ Calculation and allocation of income

Capitalisation.

#### ▪ Characteristics of the units or shares

All units are euro-denominated and decimalized, divided into thousandths of units.

#### ▪ Calculation and methods for publication or communication of net asset value

The net asset value is determined each working day except on public holidays (i.e., Euronext calendar) and is calculated at D+1 (D being the day on which the net asset value is determined).

The most recent net asset value is available to unit holders :

- At Amiral Gestion head office
- At the custodian head office
- By phone +33 (0)1 47 20 78 18
- On the website <http://www.amiralgestion.com>

#### ▪ Terms and conditions of subscriptions and redemptions

The original value of the A and Z units is set at 100 euros and for I unit is set at 1 000 euros. Lastly, the original value of Class N shares is equal to that of Class A shares, on the day of creation, 29/12/2019.

Subscriptions can be expressed either in number of units (which can be stated in ten thousandths of units), or as an amount (for an unknown number of units).

Redemptions can be made in a number of units (which can be stated in ten thousandths of units).

Subscription and redemption orders are centralized each trading day before 10 a.m. with the custodian :

CACEIS BANK, Etablissement de crédit agréé par l'ACPR, 1 place Valhubert - 75013 Paris,

and are executed on the basis of the next net asset value calculated from the closing price on the day on which orders are centralized.

Subscription and redemption orders arriving after 10 a.m. are treated on the basis of the following net asset value.

The relevant settlements will be made two working days after valuation of the unit.

The Investors are reminded that the requests transmitted to promoters, other than the institutions mentioned above, must take into account the fact that the centralization deadline of requests applies to so-called marketers vis-à-vis CACEIS BANK.

As a result, these distributors may apply their own cut-off time earlier than the one mentioned above, in order to take into account the time required to transmit requests to CACEIS BANK.

## c. Costs and fees

#### ▪ Subscription and redemption fees

Subscription and redemption fees are added to the subscription price paid by the investor and subtracted from the redemption price. The fees paid to the Fund offset the costs incurred by the Fund to invest or divest the assets entrusted to it. The fees not retained by the Fund go to the management company and/or the marketer.



Fees & expenses payable by the investor for subscriptions and redemptions	Base	Rate
Subscription fees payable to third parties	Net asset value x number of units	A Units : 2% maximum I Units : 10% maximum N Units: 5% maximum Z Units : None
Subscription fees payable to the Fund		None( A, I, N & Z Units )
Redemption fees payable to third parties		A, N & I Units 1% maximum Z Units : None
Redemption fees payable to the Fund		None (A, N , I & Z Units)

Subscription and redemption fees are not subject to VAT.

#### Cases of exemption

Subscription and redemption fees are waived for subscriptions and redemptions executed for the same number of units, at the same net asset value and for the same volume of zero balance transactions.

#### Operating and management fees (excluding transaction costs)

These fees cover all the costs charged directly to the Fund, except transaction costs (see below). Transaction costs include intermediation costs (brokerage fees, stamp duty, etc.) and the turnover commission received in particular by the custodian and the management company.

To these operating and management fees may be added :

- Superperformance fees. These reward the management company for achieving performance exceeding the Fund's objectives.
- Turnover commission charged to the Fund.
- Part of the income from securities sale and repurchase transactions.

For further information concerning the costs actually charged to the UCITS, refer to the KIID.

Management fees are provisioned at each calculation of the Fund's net asset value.

Fees charged to the UCITS	Base	Rate
Management fees Including external Management costs (Cac, custodian, distribution, lawyers, AMF contributions*)	Net assets	A Units : 2.20% max incl. tax I Units : 1% max incl. tax N Units: 1.30% max incl. tax Z Units : 0.1% max incl. tax A, I,N & Z Units : 0.1% max incl. tax
Maximum indirect fees (commissions and management fees)	Net assets	None
Service provider receiving turnover commission (excluding brokerage fees) : Received by the depositary	Direct debit on each transaction	Variable according to the place of business : Since €6 inc. taxes on financial instruments and money market products issued on the ESES Marches till € 90 inc. taxes for instruments issued to non-mature Foreign Markets.
Outperformance fees	Net assets	A, N** and I Units : 15%, inc. taxes of the common fund's positive performance beyond the performance of the CAC Small (reinvested Dividends) index, per calendar year. Z Units : NIL

\* Contributions due to the AMF for management of the collective investment undertaking (OPC) in accordance with Paragraph d), Section 3, Chapter II of Article L.621-5-3 of the Monetary and Financial Code.

The management company prefers choosing UCITS for which it has been able to negotiate full exemption from fees not retained by the Fund.

\*\* For class N shares, the initial commission for outperformance (if it exists) will be charged in FY 2018.

#### Calculation method for performance fees (A, N & I Units)

Performance fees are based on a comparison between the Fund's performance and the benchmark, over the financial year.

Performance fees will be charged by the management company as follows.





The Fund's performance is calculated according to the change in its net asset value :

- If, over the financial year, the Fund's performance exceeds 15%, the variable portion of management fees will represent 15% (including tax) of the difference between the Fund's performance and that of its benchmark.
- If, over the financial year, the Fund's performance is negative or less than its benchmark, the variable portion will be nil.  
Calculation of the outperformance commission is based on the value of net asset value with which the performance was achieved, as well as subscriptions and redemptions to the fund. This method amounts to comparing the assets of SEXTANT PME with the assets of a similar fund using the same subscription and redemption flows.
- If, during the financial year, the Fund's performance from the beginning of the year exceeds the benchmark calculated over the same period, this outperformance will be covered by a provision for performance fees when calculating the net asset value.
- If the Fund underperforms the benchmark between two net asset value calculations, any provision made previously will be adjusted by a provision reversal. Provision reversals are limited at most to the prior provisions.
- This variable portion of fees will be finally received at the end of the financial year only if the Fund's performance over the financial year exceeds that of the benchmark.
- In the event of redemption of units, if there is a provision for performance fees, the fraction proportional to the redeemed units is paid to the management company immediately.

The variable management fees will not be reserved and collected for fiscal 2012, which runs from 1 January 2012 to 31 December 2012.

These fees (fixed and where applicable performance fees) are allocated directly to the Fund's profit and loss account.

#### ▪ **Transaction costs**

Intermediaries (brokers) will be chosen according to their specific competence in the equity area, and for the quality of their research, order execution and participation in private placements and initial public offerings, and finally their capability for block trading of small- and mid-cap shares.

Transactions on UCITS incur no costs other than the subscription and redemption fees of the issuer. Amiral Gestion preferably chooses UCITS for which it has been able to negotiate full exemption from fees not retained by the Fund.

### 3. Commercial information

#### ▪ **Indication of the place where documents relating to the Fund can be obtained**

Information and documents relating to the Fund, its net asset value and the centralization of Fund subscriptions and redemptions can be obtained by contacting the management company directly.

The Fund's full prospectus, the latest annual report and the latest interim statement will be sent within one week simply on a written request by the unit holder to : AMIRAL GESTION – 103 rue de Grenelle – 75007 Paris.

These documents are also available on the Company's web site : <http://www.amiralgestion.com>.

Further information can also be obtained, if necessary, from :

Benjamin BIARD – Tél: +33 (0) 1 40 74 35 61 – E-mail: [bb@amiralgestion.com](mailto:bb@amiralgestion.com)

#### ▪ **Procedures for publication of the net asset value**

The most recent net asset value is available to unit holders :

- At Amiral Gestion head office
- At the custodian head office
- By phone +33 (0)1 47 20 78 18
- On the website <http://www.amiralgestion.com>

#### ▪ **Environmental, Social and Governance quality Criteria (ESG)**

Information relating to the consideration of environmental, social and governance quality criteria (ESG) are available on the Company's web site : [www.amiralgestion.fr](http://www.amiralgestion.fr). They will also be included in the annual report.

#### ▪ **Composition of the portfolio**

The composition of the portfolio may be communicated to professional investors subject to control by the ACPR, the AMF or equivalent European authorities, or to their service providers, on condition of confidentiality, in order to allow them to make the required regulatory calculations arising from Directive 2009/138/CE (Solvability 2).

The communication will be made in accordance with AMF guidelines at least 48 hours after publication of the liquidation value.

For additional information, investors can contact the fund management company.



## 4. Investment rules

### Regulatory ratios applicable to the fund :

The UCITS complies with the ratios described in articles R.214-1 onward of the “Code Monétaire et Financier” (French Monetary and Financial Code), and more specifically in Article R.214-26 of the “Code Monétaire et Financier” relating to coordinated funds of funds.

### Global risk calculation method :

The overall risk of financial contracts is calculated according to the method of engagement.

## 5. Asset valuation rules and accounting methods

### a. Asset valuation rules

#### Valuation method

Financial instruments and securities traded on a regulated market are valued at market price.

#### Specific valuation methods

- European bonds and equities are valued at the closing price, and other securities at the last known closing price.
- Negotiable debt instruments and similar instruments not traded in significant quantities are valued by applying an actuarial method, the rate adopted being that for issues of equivalent securities, adjusted if necessary by a spread to reflect factors intrinsic to the issuer and the security; however, negotiable debt instruments with a residual life less than or equal to three months and with no special sensitivity may be valued by the straight-line method.
- Negotiable debt instruments with a life of less than three months are valued at the negotiated purchase price; the discount or premium is amortized by the straight-line method over the life of the instrument.
- Negotiable debt instruments maturing at more than three months are valued at their market price.
- Units and shares of UCITS are valued at the latest known net asset value.

Financial instruments which were not traded on the day of the asset valuation or for which the trading price was adjusted are valued at their probable trading value under the responsibility of the management company's board of directors. These valuations and the supporting evidence are reported to the auditor on the occasion of audits.

### b. Bookkeeping methods

The bookkeeping method adopted for recording income from financial instruments is the collected dividend method.

Transaction costs are booked excluding fees.

## 6. Remuneration policy

Amiral Gestion has implemented a remuneration policy in accordance with the AIFM directive and the UCITS V directive, as well as the directives and recommendations issued by the ESMA.

The remuneration policy is consistent and promotes sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profiles, the regulations, the constitutional documents of the investment funds under management.

This policy is also in line with the interests of the UCIs and its investors.

Further details can be obtained in the company's website : <http://www.amiralgestion.com>, along with the employee compensation policy of Amiral Gestion, upon written request addressed to your manager.

Amiral Gestion's staff may be remunerated on a fixed base and a variable base. However, the variable part is marginal on the overall compensation paid to persons identified as a risk taker or equivalent within the meaning of these regulations.



All employees are eligible to the participation and profit sharing. All employees are also shareholders of Amiral Gestion. The share in the capital is gradual and depends on the individual contribution of each to the company. Thus, the interests of carriers and to Amiral Gestion employees are aligned to achieve the best long-term performance and the sustainability of the company.

All members of the company are directly interested in the success of all funds and income of the company to avoid reckless risk taking.

The complete remuneration policy for employees of Amiral Gestion and the total amount of remuneration in respect of the year, broken down according to the regulatory criteria are available free of charge upon written request to your manager: Amiral Gestion, 103 rue de Grenelle, 75007 Paris.



# Fund regulation

*Date of the last update : December 29<sup>th</sup> 2017*

## TITLE I : ASSETS AND UNITS

### Article 1 - Units and joint ownership

The rights of the co-owners are expressed in units, each unit corresponding to the same fraction of the Fund's assets. Each holder of fund units has a co-ownership right to the Fund's assets proportional to the number of units owned.

The duration of the Fund is 99 years starting from 8 July 2005 (except in the case of early dissolution or extension provided for in the present regulations).

Categories of units:

The characteristics of the various categories of units and their subscription conditions are specified in the simplified prospectus and the detailed memorandum of the Fund.

These various categories of units may:

- Have different dividend policies (distribution or accumulation);
- Be denominated in various currencies;
- Be subject to different management fees;
- Be subject to different subscription and redemption fees;
- Have different nominal values.
- Be accompanied by systematic risk coverage, partial or total, defined in the Prospectus. This coverage is provided through financial instruments minimizing the impact of hedging on the other units;
- Be reserved for one or more marketing channels.

The units may be merged or divided.

The units may be split, upon a decision of the Board of Directors of the management company, into thousandths referred to as fractions of units.

The provisions of the regulations governing the issue and redemption of units shall apply to fractions of units whose value will always be proportional to that of the units they represent. Unless otherwise provided, all other provisions of the regulations relating to the units shall apply to fractions of units without any need to specify this. Finally, the Management Board of the management company may decide, at its own discretion, to sub-divide the units by issuing new units which shall be allocated to unit holders in exchange for their existing units.

### Article 2 - Minimum asset value

The minimum asset value of the Fund is 400 000 Euros.

Units may not be redeemed if the assets of the Fund fall below 300 000 Euros ; in that case, and unless in the meantime the assets again exceed this amount, the management company shall take the necessary measures to merge or wind up the Fund within a period of thirty days.

### Article 3 - Issue and redemption of units

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

Redemptions and subscriptions are carried out under the conditions and in accordance with the procedures defined in the simplified prospectus and the detailed memorandum.

The investment fund units may be listed on the stock exchange in accordance with the existing regulations.

Subscriptions must be fully paid up on the day the net asset value is determined. Subscriptions may be paid in cash and/or by the transfer of marketable securities. The management company is entitled to refuse any securities offered and, to this effect, shall have a period of seven days from their deposit to make its decision known. If they are accepted, the securities transferred shall be valued in accordance with the rules laid down in Article 4 and the subscription shall be based on the first net asset value following acceptance of the securities in question.

Redemptions shall be made exclusively in cash, except in the event of liquidation of the Fund when the unit holders have explicitly agreed to be repaid in securities. Redemptions shall be settled by the custodian within a maximum of five days following the day of valuation of the units.

If, however, in exceptional circumstances, repayment requires prior realization of assets held in the Fund, this period may be extended to a maximum of 30 days.

Except in the event of an inheritance or inter vivos distribution of estate among presumptive heirs, the sale or transfer of units between unit holders, or between unit holders and third parties, is considered as a redemption followed by a subscription; if this involves a third party, the amount of the sale or



transfer shall, where applicable, be supplemented by the beneficiary to reach at least the minimum subscription amount stipulated by the simplified prospectus and the detailed memorandum.

Pursuant to article 214-30 of the "Code Monétaire et Financier" (French Monetary and Financial Code), the redemption of units by the Fund and the issue of new units may be temporarily suspended by the management company in exceptional circumstances and if this is deemed necessary to protect the interests of the unit holders.

When the net assets of the Fund are less than the amount stipulated by the regulations, no redemption of units may be performed.

A minimum subscription may be applied, in accordance with the procedures set out in the simplified prospectus and the detailed memorandum.

The Fund may cease to issue units pursuant to Article L. 214-19 indent 2 of the "Code Monétaire et Financier" in objective situations entailing the closure of subscriptions, such as a maximum number of units or shares issued, a maximum amount of assets reached, or the expiry of a fixed subscription period. These objective situations are defined in the detailed memorandum of the Fund.

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

The net asset value of the units is calculated in accordance with the valuation rules appearing in the detailed memorandum of the full prospectus.

Contributions in kind may only consist of instruments, securities and contracts that are eligible to form assets of the Fund; they are valued in accordance with the valuation rules applicable for calculation of the net asset value.

## **TITLE II : FUND OPERATION**

#### **Article 5 - The management company**

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

The management company shall act in all circumstances on behalf of the unit holders and may alone exercise the voting rights attached to the securities held in the Fund.

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

The instruments and deposits that are eligible to become assets of the Fund and the investment rules are described in the detailed memorandum of the full prospectus.

#### **Article 6 - The custodian**

The custodian is responsible for the custody of the assets held in the Fund, and for processing the orders received from the management company in relation to the purchase and sale of securities as well as those relating to the exercise of subscription and allotment rights attached to the securities held in the Fund. It shall perform all revenue collection and payments.

The custodian must ensure that decisions taken by the management company are lawful. Where applicable, it must take all protective measures it deems necessary. In the event of a dispute with the management company, it shall inform the Securities Commission (French AMF).

The management company shall provide the custodian with all the information required for it to carry out its checks, as part of its task of checking the legality of the Fund's decisions.

#### **Article 7 - The auditor**

An auditor shall be appointed for a term of six financial years, with the approval of the Securities Commission (French AMF), by the management company's Board of Directors or Management Board.

He shall perform the due diligence and checks provided for by law, and in particular he shall certify, whenever necessary, the fairness and validity of the accounts and information of an accounting nature contained in the management report.

His mandate may be renewed.

He shall inform the Securities Commission (French AMF) and the management company of the Fund of any irregularities or errors noted by him in the course of his audit.

The auditor shall supervise asset valuation and determination of the exchange parities used in conversion, merger and split-up transactions.

He shall assess all contributions in kind and establish under his responsibility a report relating to their valuation and their remuneration.

He shall certify the accuracy of the composition of assets and other aspects prior to publication.

The auditor's fees shall be determined by mutual agreement between the auditor and the management company's Board of Directors or Management Board based on a work agenda specifying the due diligence considered necessary.

In the event of liquidation, he shall assess the value of the assets and establish a report on the conditions of such liquidation.

He shall certify the statements used as a basis for the payment of interim dividends.



His fees are included in the management fees.

#### **Article 8 - Accounts and management report**

At the end of each financial year, the management company shall establish the review documents and draw up a report on management of the Fund during the past financial year.

The list of assets and liabilities shall be certified by the custodian and all the above documents shall be checked by the auditor.

The management company shall make these documents available to the unit holders during the four months following the end of the financial year and shall inform them of the amount of income to which they are entitled. These documents shall be either sent by post at the explicit request of the unit holders, or made available to them at the management company or in the custodian's offices.

### **TITLE III : DIVIDEND POLICY**

#### **Article 9 - Distributable incomes**

The net profit for the financial year is equal to the amount of interests, arrears, dividends, bonuses and lots, directors' fees and all proceeds generated by the securities held in the Fund's portfolio, plus the income generated by temporary cash holdings, less management fees and borrowing costs.

The distributable income is equal to the net profit for the financial year plus retained earnings, plus or minus the balance of income accruals relating to the year ended.

The distributable income is accumulated in full, except income for which distribution is mandatory by law.

### **TITLE IV : MERGER – SPLIT-UP – DISSOLUTION – WINDING UP**

#### **Article 10 - Merger – Split-up**

The management company may either transfer, in full or in part, the assets held in the Fund to another UCITS under its management, or split the Fund into two or more other investment funds under its management.

Such mergers and split-ups can only be performed one month after the unit holders have been notified of this. They give rise to the issue of a new certificate specifying the number of units owned by each holder.

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

If the assets of the Fund remain, for thirty days, below the amount stipulated in Article 2 above, the management company shall inform the Securities Commission (French AMF) of this and shall either merge the Fund with another investment fund or else wind up the Fund.

The management company may wind up the Fund before maturity; it shall inform the unit holders of its decision, and from that date subscription and redemption orders will no longer be accepted.

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

The management company shall inform the Securities Commission (French AMF) and the custodian by letter of the date and procedure adopted for winding up. It shall then send to the Securities Commission (French AMF) the auditor's report.

The extension of a fund may be decided by the management company by agreement with the custodian. Its decision must be taken at least three months before expiry of the term of the Fund and brought to the notice of the unit holders and the Securities Commission (French AMF).

#### **Article 12 - Winding up**

In the event of dissolution, the management company shall be responsible for the liquidation operations. They shall, to this effect, have the fullest powers to realize the assets, pay any creditors and distribute the available balance among the unit holders in cash or in securities.

The auditor and the custodian shall continue to perform their work until the end of the liquidation operations.

### **TITLE V : DISPUTES**

#### **Article 13 - Competence – Election of domicile**

Any disputes relating to the Fund which might arise during the term of the Fund or at its liquidation, either between the unit holders or between unit holders and the Management Company or custodian, shall be subject to the jurisdiction of the competent courts.