



MANDARINE Funds

Prospectus

31/10/2019

SICAV incorporated under Luxembourg law with multiple sub-funds

I. PREAMBLE⁴

II. DESCRIPTION OF THE SICAV⁹

III. OBJECTIVE OF THE SICAV¹⁰

IV. ELIGIBLE INVESTMENTS¹¹

V. INVESTMENT RESTRICTIONS¹³

VI. CROSS INVESTMENTS²⁰

VII. MASTER / FEEDER STRUCTURES ²¹

VIII. EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES²²

IX. RISK FACTORS²⁴

X. MANAGEMENT COMPANY³²

XI. INVESTMENT ADVISERS - INVESTMENT SUB-ADVISERS - FINANCIAL MANAGERS - SUB-MANAGERS³³

XII. CUSTODIAN BANK AND PAYING AGENT³⁴

XIII. DESCRIPTION OF SHARES, SHAREHOLDER RIGHTS AND DISTRIBUTION POLICY³⁶

XIV. ENTITIES AUTHORISED TO RECEIVE SUBSCRIPTION, REDEMPTION AND CONVERSION ORDERS IN LUXEMBOURG³⁷

XV. SUBSCRIPTIONS, REDEMPTIONS AND CONVERSIONS³⁸

XVI. DEFINITION AND CALCULATION OF THE NET ASSET VALUE³⁹

XVII. TAX TREATMENT OF THE SICAV AND OF SHAREHOLDERS ⁴⁰

XVIII. FINANCIAL REPORTS⁴⁴

XIX. DISSOLUTION - LIQUIDATION - CLOSURE- MERGER⁴⁵

XX. SHAREHOLDER INFORMATION⁴⁷

XXI. TAKING ACCOUNT OF ESG CRITERIA ⁴⁸

XXII. INFORMATION ON THE USE OF BENCHMARKS⁵⁰

XXIII. SUBSCRIPTIONS AND CONVERSION RESTRICTIONS⁵¹

XXIV. ANNEX 1 - SUB-FUND DATA SHEETS52

Subscriptions may only be made on the basis of the Mandarine Funds Prospectus (the "SICAV") including the data sheets of each of the SICAV's sub-funds attached as Annex 1 to this prospectus (the "Prospectus") together with the Articles of Association of the SICAV and the key investor information document relating to the sub-fund or Share Class of the fund concerned (or the "KIID(s)").

This Prospectus must be accompanied by the most recent annual report and the latest half-yearly report, if more recent than the annual report.

Subscription, conversion and redemption forms are available on request from:

the head office of the SICAV, 60 Avenue J.F. Kennedy, L-1855 Luxembourg – Grand Duchy of Luxembourg;

from the central administration, BNP PARIBAS SECURITIES SERVICES, Luxembourg Branch, 60, Avenue J.F. Kennedy, L-1855 Luxembourg – Grand Duchy of Luxembourg.

I. PREAMBLE

The SICAV is registered in the official list of mutual funds ("**OPC**") in accordance with the Law of 17 December 2010 regarding UCIs as amended (the "**Law of 2010**"). This registration shall under no circumstances and in no way whatsoever be considered as a positive assessment made by the Commission de Surveillance du Secteur Financier (hereinafter referred to as the "**CSSF**" - the Luxembourg financial regulatory authority) as to the quality of the securities being offered.

The Board of Directors of the SICAV (the "**Board of Directors**") has taken all possible precautions to ensure that the facts given in this Prospectus are accurate and precise and that no important fact has been omitted, where such an omission would make any of the statements herein erroneous. The Board of Directors assumes responsibility regarding the accuracy of the information contained in the Prospectus at its date of publication. Consequently, no information other than that contained in the present Prospectus and in the documents mentioned herein should be used. The French document shall be legally binding, unless otherwise stated in the current legislation of authorities under whose jurisdiction the SICAV may be registered.

Neither the submission of this Prospectus or the related KIID(s), nor the offer, issuance or sale of shares in the SICAV shall constitute an assertion that the information given in this Prospectus will at all times be accurate subsequent to the date of the Prospectus. In order to take account of significant changes, including the opening of a new sub-fund of the SICAV (a "**Sub-Fund**") or a new Share Class, this Prospectus shall be updated as required. It is therefore recommended that subscribers consult the SICAV to find out whether any more recent Prospectus or KIID has been published.

Shares in the SICAV may, if so decided by the Board of Directors, be listed on the Luxembourg stock exchange.

If you have any concerns relating to the content of this Prospectus (or the documents that it refers to), or if you intend to subscribe to shares in the SICAV, please consult a professional adviser. Nobody is authorised to provide information or make presentations relating to the issuance of shares in the SICAV (the "**Shares**") which are not included or which are not referred to in the Prospectus or in the attached reports. Neither the distribution of the Prospectus or the KIID(s), nor the offer, issuance or sale of Shares shall constitute a presentation that the information contained in this Prospectus is correct at any date subsequent to the date of this Prospectus. Nobody receiving a copy of this Prospectus in any country should treat it as an offer, unless in the country in question such an offer may legally be made without this person needing to comply with registration requirements or other legal conditions. Anybody seeking to purchase Shares shall be responsible for obeying the laws of the relevant country in respect of the acquisition of Shares, including obtaining governmental and other approvals which may be required or complying with any other formalities which must be observed in that country.

Potential investors should conduct such independent research and analyses as they see fit, to assess the advisability and risks of an investment in the Sub-funds. Investors should only invest if they have the financial resources necessary to bear the loss of their entire investment. This information should not be interpreted as investment or tax advice. Potential investors should consult their financial and tax advisers before investing in order to determine whether an investment is suitable to them.

Sales restrictions - The SICAV is authorised as an undertaking for collective investment in transferable securities in the Grand Duchy of Luxembourg, where its Shares may be offered and sold. Distribution of the Prospectus and offering Shares is restricted in certain jurisdictions. The Prospectus does not constitute an offer or invitation in any jurisdiction where it is illegal or if the person making the

offer or invitation is not qualified to do so or if the person receiving the offer or invitation cannot legally receive it.

It is the responsibility of any person in possession of this Prospectus and any persons wishing to subscribe Shares to inform themselves on this subject and to comply with all laws and regulations of all relevant jurisdictions. Investors should inform themselves and take appropriate advice on the subject of legal measures, any subsequent taxes, restrictions on the foreign exchange market and/or exchange control requirements that may be applicable under the national laws of the country of their nationality, residence or domicile and which may be relevant to the subscription, purchase, holding, exchange, redemption or transfer of Shares.

European Union and European Economic Area ("EEA"): The SICAV has the status of an undertaking for collective investment in transferable securities ("**UCITS**") and has filed an application for recognition under Directive 2009/65/EC of 13 July 2009 on the coordination of laws, regulations and administrative provisions concerning certain undertakings for collective investment in transferable securities as amended, in particular, by Directive 2014/91/EU of 23 July 2014 (the "**UCITS Directive**"), for distribution to the public in certain Member States and in certain countries of the EEA concerning all or some of the Sub-Funds or all or some of the Shares of those Sub-Funds. Further information is available from the Board of Directors.

Other countries: The SICAV may seek authorisation for distribution to the public in certain countries with respect to all or part of the Sub-Funds or all or part of the Shares of such Sub-Funds; additional information is available from the Board of Directors of the SICAV.

United States: The term "US Person" as used in this Prospectus has the meaning attributed to it by *Regulation S*, as amended, of the *Securities Act of 1933* of the United States of America, as amended (the "**1933 Act**") or any other regulation or law that may come into force in the United States of America in the future to replace *Regulation S*, as amended, of the 1933 Act.

No action has been taken to register the SICAV or its Shares with the US Securities and Exchange Commission, as required by the *US Investment Company Act of 1940* (as amended). Accordingly, this Prospectus has not been approved by that authority. It may therefore not be introduced, transmitted or distributed in the United States of America (including its territories and possessions), or delivered to US citizens or residents, or to companies, associations or other entities registered in the United States of America or governed by the laws of the United States of America. In addition, the Shares have not been registered under the US Securities Act of 1933 and may not be offered or sold, directly or indirectly, to US Persons in the United States (including its territories and possessions). Any violation of these restrictions may constitute a violation of US securities law. The Board of Directors may demand the immediate redemption of all Shares purchased or held by US Persons, including all investors who become US Persons after buying shares.

Specific restrictions

Notwithstanding the provisions on sales restrictions and possible exceptions at the discretion of the Board of Directors, the Shares may not be offered or sold directly or indirectly for the benefit of "Specified US Persons" within the meaning of the "FATCA" legislation (*US Foreign Account Tax Compliance Act of 2010*). Should this principle be breached, the Board of Directors may, at its sole discretion, require immediate repayment of Shares purchased or held in particular by "Specified US Persons" within the meaning of the "FATCA" legislation.

The Articles of Association contain clauses designed to prevent Shares being held by US Persons and by Specified US Persons in circumstances that would cause the SICAV to violate laws of the United States of America, and to enable the Board of Directors to make compulsory repurchase of such Shares as the Board of Directors deems necessary or appropriate to ensure compliance with the laws of the United States of America.

Potential investors are especially encouraged to inquire about the tax consequences, legal requirements and restrictive measures and exchange control requirements to which they may be subject in their country of residence, nationality or residence in relation to the subscription, purchase, possession or sale of Shares.

Potential investors are notified that investing in the SICAV is subject to risks.

Investments in the SICAV are subject to normal investment risks and, in some cases, may be unfavourably hit by political developments and/or changes in local laws, taxation, exchange controls and exchange rates. Investment in the SICAV involves investment risks, such as the potential loss of capital. Potential investors are alerted to the fact that the price of Shares may fall as well as rise.

Protection of personal data

Regulation No. 2016/679 known as the *General Data Protection Regulation (hereafter the "GDPR")*, is a European Union regulation that is a reference text on the protection of personal data. It reinforces and unifies the protection of data for individuals within the European Union.

This regulation was transposed into Luxembourg law by the Law of 1 August 2018 on the organisation of the National Data Protection Commission and the general data protection framework and implementation of GDPR (the "**Law of 2018**").

The SICAV and Mandarine Gestion (the "**Management Company**") and their agents and delegates shall collect, store and process, electronically or otherwise, the personal data provided by investors when they subscribe and thus act as controllers in accordance with the General Data Protection Law of 2018 and all other applicable laws and regulations.

Data controllers hold these data on their computer systems and the data may be processed or forwarded to third parties (including service providers, statutory auditor(s) and the legal board(s)) and their agents or delegates who are made responsible for processing certain data in the course of their duties and can therefore act as data processors.

This personal data may therefore be stored, processed, transferred and disclosed by the data controllers or data processors as part of their activities or services provided and under the conditions provided for by the law. These services include, but are not restricted to, processing investor subscriptions, maintaining the SICAV's register of Shareholders and providing information for investors. In addition, the data may also be used in the context of compliance with international rules and Luxembourg laws and regulations relating to obligations on combating money laundering and the financing of terrorism.

In the context of the above paragraphs, investors are alerted to the fact that their data may be processed in countries which do not have data protection rules equivalent to those of the EEA. The SICAV and Mandarine Gestion undertake to apply reasonable measures to ensure the confidentiality of personal data processed in such countries.

This data will only be used for the purpose for which it was collected, except if the investor in question expressly agrees to it being used for other purposes.

Investors may request access to, correction or deletion of the data they have provided in accordance with applicable law.

Dissemination of portfolios (Solvency II)

The Management Company may be required to transmit all or part of the information concerning the composition of the portfolio of the SICAV to enable some of its investors, in particular institutional investors, to comply with their obligations derived notably from Directive 2009/138/EC ("*Solvency II*") with respect to transparency (*SCR - Solvency Capital Requirement*).

The Management Company will ensure that each investor who is a recipient of this information has established procedures for managing sensitive information prior to the transmission of the composition of the portfolio so that such information be used only for calculating prudential requirements. These procedures must also prevent the practices of *market timing* and *late trading*.

SFTR Regulation

The SICAV will not engage in any securities financing or other transactions (including, but not limited to, repurchase transactions, lending / borrowing of securities, purchase-resale or sale-purchase transactions, margin-based lending transactions and *Total Return Swaps (TRS)* as set out in Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 (the Securities Financing Transactions Regulation or "**SFTR**"). If this changes, the prospectus will be updated in accordance with the SFTR.

THE SICAV AND PARTIES CONCERNED

Name of the SICAV	MANDARINE FUNDS
Registered office of the SICAV	60, Avenue J.F. Kennedy, L-1855 Luxembourg – Grand Duchy of Luxembourg
Luxembourg Register of Companies No.	B 151691
Legal form	An Open-Ended Investment Company (“ SICAV ”) with multiple sub-funds under Luxembourg law, subject to Part I of the Law of 2010
Date of incorporation	03 March 2010
Date of amendment of the coordinated Articles of Association	25 January 2016
Date of publication of the statutes in Mémorial, Recueil des Sociétés et Associations	22 March 2010
Date of publication of the latest version of the coordinated statutes in Mémorial, Recueil des Sociétés et Associations	12 April 2016
Minimum capital	EUR 1,250,000
SICAV reference currency	EUR
Close of financial year	31 December of each year
Board of Directors	<p>Rémi LESERVOISIER Chairman MANDARINE GESTION 40, Avenue George V 75008 Paris – France CEO</p> <p>Arthur CLOUARD Director MANDARINE GESTION 40, Avenue George V 75008 Paris, France</p> <p>Guillaume BRICKA Conducting Officer LA FRANCAISE AM International 60 Grand-Rue L-1660 Luxembourg Director</p>
Management Company	<p>MANDARINE GESTION SA Société Anonyme 40, Avenue George V F-75008 PARIS – France</p>
Board of Directors of the Management Company on the date of the Prospectus	<p>Marc RENAUD 40, Avenue George V F-75008 Paris – France</p>

Rémi LESERVOISIER

40, Avenue George V F-75008 Paris – France

José HOUIS

6, avenue de Friedland
75008 Paris

MG PARTICIPATIONS

Joint stock company
40, Avenue George V
F-75008 Paris - FRANCE

Marc LEBRETON

165 Grande Avenue
60260 Lamorlaye

BANQUE POSTALE ASSET MANAGEMENT

Public Limited Company
34 rue de la Federation
F-75015 Paris - FRANCE

FEDERAL FINANCE

Public Limited Company
1 allée Louis Lichou
F-29480 Le Relecq Kerhuon

Custodian Bank and Paying Agent

BNP Paribas Securities Services, Luxembourg Branch

60, Avenue J.F. Kennedy, L-1855 Luxembourg – Grand Duchy of Luxembourg

Central administration

BNP Paribas Securities Services, Luxembourg Branch

60, Avenue J.F. Kennedy, L-1855 Luxembourg – Grand Duchy of Luxembourg

Entities authorised to receive subscription, reimbursement and conversion orders

BNP Paribas Securities Services, Luxembourg Branch

60, Avenue J.F. Kennedy, L-1855 Luxembourg – Grand Duchy of Luxembourg

Statutory Auditor

DELOITTE AUDIT

Public Limited Company
560, rue de Neudorf,
L-2220 Luxembourg,
Grand Duchy of Luxembourg

II. DESCRIPTION OF THE SICAV

MANDARINE FUNDS is an open-ended investment company (SICAV) with multiple sub-funds governed by Luxembourg law, subject to Part I of the Law of 2010 incorporating the provisions of the UCITS Directive as amended.

The fact that the SICAV is included on the official list drawn up by the controlling authority shall under no circumstances be construed as a positive assessment on the part of the supervisory authority of the quality of the securities offered for sale.

The data sheets of the Sub-Funds in existence on the date of this Prospectus, describing their investment policies and their main characteristics, are available in Annex 1 to this Prospectus.

The Board of Directors is responsible for the overall management of the SICAV. The Board of Directors may create new Sub-Funds or Share classes at any time, decide on their actual launch date and at its sole discretion set the price at which each Share class will be launched.

A SICAV with multiple sub-funds is a legal entity in its own right. The individual Sub-Funds are not, however, legal entities separate from the SICAV. The capital of the SICAV is equal to the total net assets of the various Sub-Funds. With regard to third parties, the assets of a given sub-fund shall be liable only for the debts, liabilities and obligations relating to that sub-fund.

III. OBJECTIVE OF THE SICAV

The objective of the SICAV is to offer its shareholders (the “**Shareholders**”) access to a selection of markets and a variety of investment techniques through a range of specialist sub-funds gathered around a single structure, enabling them to participate in the professional management of portfolios of transferable securities and/or other liquid financial assets, as defined in the investment policy of each Sub-Fund (see Sub-Fund data sheets).

The SICAV may, at its own discretion, modify the objectives and investment policies of each Sub-Fund, as long as the Shareholders are informed of any important amendment to the objectives and investment policies at least one month prior to them entering into force, so that they can request redemption of their Shares free of charge, if they so wish, and so that this Prospectus may be updated as a consequence.

Diversification of the portfolios making up the Sub-Funds ensures that the risk inherent to any investment is limited, without however being excluded altogether. The SICAV therefore cannot guarantee that its objective will be realised in full.

The SICAV will invest under the control and responsibility of the Board of Directors.

IV. ELIGIBLE INVESTMENTS

1. **The investments of the SICAV exclusively comprise:**
 - a. transferable securities and money market instruments listed or traded on a regulated market;
 - b. transferable securities and money market instruments listed or traded on another market of a European Union member state that is regulated, operates regularly, is recognised and open to the public;
 - c. transferable securities and money-market instruments admitted to official listing on a stock exchange of a non-European Union Member State or traded on another regulated market of a non-European Union Member State, and which operates regularly and is recognised and open to the public, provided that provision has been made in the Articles of Association for the choice of stock exchange or market. According to the Articles of Association, investments can be made on any stock exchange or regulated market which operates regularly, is recognised and open to the public and is based in Europe, Africa, the Americas, Asia or Oceania;
 - d. Newly issued transferable securities and money market instruments, provided that:
 - the issue conditions include a commitment to apply to be admitted to official listing on a stock exchange or other regulated market which operates regularly, is recognised and open to the public;
 - the listing is achieved at the latest within a year of issue;
 - e. units of UCITS approved in accordance with the UCITS Directive and/or of other UCIs within the meaning of Article 1(2), (a) and (b) of the UCITS Directive, whether or not located in a member state of the European Union ("**other UCIs**"), provided that:
 - these other UCIs are approved in accordance with legislation stipulating that these undertakings are subject to supervision which the CSSF considers equivalent to that stipulated by community legislation, and that cooperation between the authorities is adequately guaranteed;
 - the level of protection guaranteed to unitholders in these other UCIs is equivalent to that stipulated for unitholders in a UCITS and, in particular, that the rules relating to the division of assets, borrowings, loans and the short selling of transferable securities and money-market instruments are equivalent to the requirements of the UCITS Directive;
 - the business of these other UCIs is reported in half-yearly and annual reports enabling an assessment to be made of assets and liabilities, profits and transactions in the reporting period;
 - no more than 10% of the assets of the UCITS or other collective investment undertakings whose acquisition is contemplated can, according to their fund rules or instruments of incorporation, be invested in aggregate in units of other UCITS or other collective investment undertakings;
 - f. deposits with credit institutions which are repayable on demand or can be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State of the European Union or, if the registered office of the credit institution is situated in a non-Member State, is subject to prudential rules considered by the CSSF as equivalent to those laid down in European Community law;
 - g. derivative instruments, including similar instruments that give rise to a cash settlement, which are traded on a regulated market of the type referred to under a), b) and c) above; and/or OTC derivative financial instruments ("**OTC derivative instruments**"), provided that:

- the underlying assets consist of instruments covered by this point 1, in financial indices, interest rates, exchange rates or currencies, in which the SICAV may invest in accordance with its investment objectives, as stated in the Articles of Association of the SICAV and in this Prospectus;
 - the counterparties to OTC derivative transactions are establishments which are subject to prudential monitoring and which belong to the categories authorised by the CSSF;
 - the OTC derivative instruments are subject to reliable and verifiable valuation on a daily basis and may, on the SICAV's initiative, be sold, liquidated or closed by means of a symmetrical transaction at any time and at their fair value;
- h. money-market instruments other than those traded on a regulated market, on condition that the issuer or issuer of such instruments are themselves subject to regulations intended to protect investors and their savings, and that such instruments are:
- issued or guaranteed by a central, regional or local authority or central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
 - issued by an undertaking whose securities are traded on the regulated markets listed in points (a), (b) or (c) above, or
 - issued or guaranteed by an establishment that is subject to prudential monitoring in accordance with criteria defined by Community law, or by an establishment which is subject to and which complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community legislation, or
 - issued by other bodies belonging to categories approved by the CSSF, on condition that investments in such instruments are subject to rules for the protection of investors which are equivalent to those referred to in the first, second or third indents above and on condition that the issuer is a company whose capital and reserves amount to a minimum of ten million euros (EUR 10,000,000) and which submits and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, or a body which, as part of a group of companies that includes one or more listed companies, is dedicated to financing the group or a body that is dedicated to financing securitisation vehicles benefiting from a line of banking finance.

2. However, the SICAV:

- a. may invest up to 10% of its assets in transferable securities and money market instruments other than those referred to in point 1 of this section;
- b. may acquire movable and immovable property which is essential for the direct pursuit of its business;
- c. may not acquire precious metals or certificates representing precious metals.

3. The SICAV may hold ancillary liquid assets.

V. INVESTMENT RESTRICTIONS

The following criteria and restrictions must be observed by each of the sub-funds of the SICAV, with the exception of point 5 a) and b), which applies to all of the sub-funds together.

Restrictions relating to transferable securities and money-market instruments

1.
 - a. The SICAV may invest no more than 10% of its assets in securities or money-market instruments issued by the same body. The SICAV may invest no more than 20% of its assets in deposits placed with the same entity. The counterparty risk of the SICAV in a transaction involving OTC derivative instruments may not exceed 10% of its assets where the counterparty is one of the credit institutions referred to in section 3, point 1.f), or 5% of its assets in other cases.
 - b. The total value of the transferable securities and money-market instruments held by the SICAV in issuers in each of which it invests more than 5% of its assets must not exceed 40% of the value of its assets. This limit does not apply to deposits with financial institutions which are subject to prudential supervision and to OTC transactions on derivative instruments with these institutions.
 - c. Notwithstanding the individual limits laid down in 1.a., the SICAV may not combine:
 - investments in transferable securities or money market instruments issued by a single body,
 - deposits made with a single body, and/or
 - exposure arising from OTC derivative transactions undertaken with a single body,
 Which amount to more than 20% of its net assets.
 - d. The limit provided for in point 1.a., first sentence, is raised to a maximum of 35% if the transferable securities or money-market instruments are issued or guaranteed by a Member State of the European Union, its local authorities, a non-Member State or public international bodies of which one or more Member States are members.
 - e. The limit stipulated in point 1.a., first sentence, is raised to a maximum of 25% in the case of bonds issued by a credit institution which has its registered office in a European Union Member State and which is subject by law to special public supervision designed to protect bond-holders. In particular, the amounts raised from the issue of such bonds must be invested, in accordance with the law, in assets that adequately cover the liabilities arising from the bonds throughout the term of the bond, and which are preferentially charged with the repayment of capital and payment of accrued interest in the event of non-payment by the issuer.
When the SICAV invests more than 5% of its assets in the bonds referred to in the first indent issued by a single issuer, the total value of such investments may not exceed 80% of the value of the SICAV's assets.
 - f. The transferable securities and money market instruments referred to in 1.d and 1.e. shall not be taken into account for the purpose of applying the limit of 40% referred to in 1.b.

The limits provided for in 1.a., 1.b., 1.c., 1.d. and 1.e. may not be combined, and thus investments in transferable securities or money market instruments issued by the same body or in deposits or derivative instruments made with this body carried out in accordance with 1.a., 1.b., 1.c., 1.d. and 1.e. shall under no circumstances exceed in total 35% of the assets of the SICAV.

Companies included in the same group for the purposes of consolidated accounts, within the meaning of Directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits set down in this paragraph.

The SICAV may cumulatively invest up to 20% of its assets in transferable securities and money-market instruments of the same group.

2.
 - a. Without prejudice to the limits laid down in point 5, the limits laid down in point 1 are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body when, according to the Articles of Association, the aim of the SICAV's investment policy is to replicate the composition of a certain stock or bond index which is recognized by the CSSF, on the following bases:
 - the composition of the index is sufficiently diversified;
 - the index represents an adequate benchmark for the market to which it refers;
 - it is published in an appropriate manner.
 - b. The limit referred to in 2.a. is 35% where this proves to be justified by exceptional market conditions, particularly in regulated markets where certain transferable securities or money-market instruments are broadly dominant. The investment up to this limit is only permitted for a single issuer.
3. In accordance with the principle of risk-spreading, the SICAV may invest up to 100% of its net assets in various issues of transferable securities and money-market instruments issued or guaranteed by an EU member state, its local authorities, an OECD Member State or public international bodies of which one or more European Union Member States are members, provided it holds securities belonging to at least six different issues, but securities from any one issue may not account for more than 30% of the total.

Restrictions relating to UCITS and other UCIs

4.
 - a. The SICAV may acquire units in UCITS and/or other UCIs referred to in section 3. 1.e., provided it does not invest more than 20% of its assets in the same UCITS or another UCI.
For the purposes of applying this investment limit, each sub-fund of the SICAV is to be regarded as a separate issuer, provided the principle of segregation of the commitments of the different sub-funds with respect to third parties is assured.
 - b. Investments in units of UCIs other than UCITS may not exceed, in total, 30% of the assets of the SICAV.
Where the SICAV has acquired units in UCITS and/or other UCIs, the assets of such UCITS or other UCIs are not combined for the purposes of the limits referred to in point 1.
 - c. Where the SICAV invests in the units of other UCITS and/or other UCIs which are managed, either directly or by delegation, by the same management company or by any other company to which the management company is linked by common management or control, or by a substantial direct or indirect holding, the said management company or other company may not levy subscription or redemption charges in respect of the investment of the SICAV in the units of other UCITS and/or other UCIs.
 - d. Where the SICAV invests a significant proportion of its assets in other UCITS and/or other UCIs, the data sheets of the sub-funds concerned or the KIID will indicate the maximum level of management charges that may be charged both to the SICAV itself and to the other UCITS and/or other UCIs in which the SICAV intends to invest. In its annual report, the SICAV must indicate the maximum percentage of management charges involved, both with regard to the SICAV and to the UCITS and/or other UCIs in which it invests.

Restrictions relating to takeovers

5.
 - a. The SICAV may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuer.
 - b. The SICAV may not acquire more than:

- 10% of the non-voting shares of the same issuer;
- 10% of the bonds of a given issuer;
- 25% of the units of the same UCITS and/or other UCIs;
- 10% of the money market instruments of any single issuer.

The limits laid down in the second, third and fourth indents may be disregarded at the time of acquisition if, at that time, the gross amount of the bonds or money-market instruments or the net amount of the securities in issue cannot be calculated.

c. points a) and b) do not apply with regard to:

- transferable securities and money market instruments issued or guaranteed by a Member State of the European Union or its local authorities;
- transferable securities and money market instruments issued or guaranteed by a non-Member State of the European Union;
- transferable securities and money-market instruments issued by public international bodies of which one or more EU Member States are members;
- shares held by the SICAV in the capital of a company incorporated in a non-EU State investing its assets mainly in the securities of issuers from that State, where under the legislation of that State such a holding represents the only way in which the SICAV can invest in securities of issuers of that State. This derogation, however, shall apply only if in its investment policy the company from the non-member State complies with the limits laid down in points 1., 4., 5.a. and 5.b. If the limits stated in points 1 and 4 are exceeded, point 6 shall apply mutatis mutandis;
- shares held by one or more investment companies in the capital of subsidiary companies carrying on the business of management, advice or marketing of the latter exclusively on their behalf in the country in which the subsidiary is located, with respect to the repurchase of units at the holders' request.

Derogations

6. a. The SICAV need not necessarily comply with the limits laid down in this section when exercising subscription rights attaching to transferable securities or money-market instruments which form part of their assets. While ensuring observance of the principle of risk-spreading, a recently authorised SICAV may derogate from points 1, 2, 3 and 4 for six months following the date of its authorisation.
- b. If the limits referred to in point 6.a. are exceeded for reasons beyond the control of the SICAV or as a result of the exercise of subscription rights, that SICAV must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its unit holders.
- c. If an issuer is a legal entity with multiple sub-funds where the assets of a sub-fund are exclusively reserved for investors in that sub-fund and for those creditors whose claim arose when that sub-fund was launched, operated or liquidated, each sub-fund is to be considered as a separate issuer when applying the risk-spreading rules set out in points 1, 2 and 4.

Restrictions relating to borrowings, loans and short sales

7. The SICAV may not borrow, with the exception of:
- a. the acquisition of foreign currency by means of a **back-to-back loan**;
 - b. loans up to 10% of its net assets, provided the borrowing is on a temporary basis;
 - c. loans up to 10% of its net assets, provided that the borrowing is to make possible the acquisition of immovable property essential for the direct pursuit of its business; in this case the borrowing and those referred to in point 7.b. may not in any case jointly exceed 15% of the SICAV's net assets.

8. Without prejudice to the SICAV's investment powers laid down in section 3, the SICAV may not grant loans or act as a guarantor on behalf of third parties. This restriction shall not prevent the SICAV from acquiring transferable securities, money-market instruments or other financial instruments referred to in section 3, points 1.e., 1.g. and 1.h., which are not fully paid up.
9. The SICAV may not carry out short selling of transferable securities, money market instruments or other financial instruments as referred to in section 3, points 1.e., 1.g. and 1.h., which are not fully paid up.

Restrictions relating to derivative techniques and instruments

10. a. **General Provisions** The SICAV is furthermore authorised to employ techniques and instruments relating to transferable securities and money-market instruments under the conditions and within the limits laid down by the CSSF, provided that such techniques and instruments are used for the purpose of efficient portfolio management and/or in order to protect its assets and liabilities.

If these operations concern the use of derivative instruments, these conditions and limits must conform to the provisions of the Law of 2010 and the provisions of CSSF Circular 14/592 aimed at transposing into Luxembourg law applicable to UCITS subject part I of the Law of 2010 the "Guidelines for competent authorities and UCITS management companies – Guidelines on ETFs and other UCITS issues (Ref. ESMA/2014/937)" published on 18 December 2012 by the European Securities and Markets Authority ("ESMA") (the "ESMA Guidelines").

To this end, each Sub-Fund or class is specifically authorised to carry out transactions involving the sale or purchase of foreign exchange futures and currency futures as well as the sale of call options and the purchase of put options on currencies, in order to protect its assets against fluctuations in exchange rates or optimise its performance for the purpose of efficient portfolio management. The SICAV may also make use of securities lending and repurchase agreement transactions in accordance with the requirements of CSSF Circular 08/356.

If a Sub-Fund uses techniques and instruments, its description will mention this fact and include a detailed description of the risks associated with these activities, including counterparty risk and potential conflicts of interest (to the extent that the risk factors listed in this general part of the Prospectus do not cover this) and a description of their impact on the performance of this Sub-Fund. The use of these techniques and instruments must be consistent with the best interests of the Sub-Fund.

The description of the relevant Sub-Fund refers to the policy on direct and indirect costs/operational expenses arising from efficient portfolio management techniques and that may be deducted from income provided to the Sub-Fund. These costs and fees do not include hidden income. The Sub-Fund shall enter the identity of the entity(-ies) to which the direct and indirect costs and expenses are paid and indicate whether this/these entity(-ies) is/are related to the Management Company or the Custodian Bank.

Techniques and instruments for the purpose of efficient portfolio management and/or in order to protect its assets and commitments must meet the following criteria:

- (a) they are economically appropriate in that their implementation is cost effective;
 they are used to achieve one or more of the following:
 risk reduction;
 cost reduction;
 creation of additional capital or income for the Sub-Fund concerned with a level of risk consistent with the risk profile of the Sub-Fund concerned and the risk diversification rules as provided for under the Law of 2010;
 the risks generated by these activities are taken into account appropriately by the risk management process of the SICAV.

Techniques and instruments relating to money market instruments and which fulfil the above criteria are considered techniques and instruments relating to money market instruments for the purposes of efficient portfolio management as provided for under the Law of 2010.

In its use of techniques and instruments for efficient portfolio management and/or in order to protect its assets and liabilities, the SICAV will at all times comply with the provisions of CSSF Circular 14/592 and the ESMA Guidelines.

In particular, the use of techniques and instruments relating to transferable securities and other money market instruments must not:

cause the Sub-Fund concerned to deviate from the stated investment objective, or

(b) add significant additional risks relative to the risk policy initially described in this Prospectus, including the relevant Sub-Fund description.

All income from efficient portfolio management techniques, net of direct and indirect operating costs, will be returned to the Sub-Fund concerned.

By using the efficient portfolio management techniques, the SICAV must take into consideration these transactions during the development of its liquidity risk management process to ensure that it is able to meet its redemption obligations at all times.

When these transactions involve derivatives, the conditions and limits established by the Law of 2010, the related regulations and the ESMA Guidelines must be followed. The annual report of the SICAV contains detailed information on:

a) the exposure obtained through the efficient portfolio management techniques;

b) the identity of the counterparty(-ies) to these efficient portfolio management techniques;

c) the type and amount of financial security (or collateral) received by the SICAV to reduce counterparty risk; and

d) the revenues generated by efficient portfolio management techniques throughout the period under consideration, as well as direct and indirect operational costs and fees incurred.

In no event must such transactions lead the SICAV to diverge from its investment objectives.

- b. In accordance with the Law of 2010 and its implementing texts, and especially by virtue of CSSF Circular 11/512, the SICAV has implemented a risk management policy (*Risk Management Process*) in order to assess market risks (including the global risk), liquidity and counterparty risks and any other risks (including operational risk) likely to be significant for the SICAV, given the objectives and investment strategies, management styles and methods used to manage the Sub-Funds.

In the framework of this global risk management policy, the SICAV identifies and measures the global risk either using the commitment approach or using the *value-at-risk* method ("**VaR**"), as indicated in the respective descriptions for each of the Sub-Funds listed in Annex 1.

In financial and mathematical financial risk management, the VaR is a widely used measure of the risk of loss on a specific portfolio of financial assets. For an investment portfolio with a given probability and time horizon, the VaR measures the loss that may be incurred during a determined period under normal market conditions with a defined confidence interval. The VaR is calculated on the basis of a unilateral confidence interval of 99% and a holding period of 20 days. The exposure of the Sub-Funds is subject to periodic resistance tests.

The exposure of a Sub-Fund may also be increased by temporary loans, within the limit of 10% of the assets of the Sub-Fund.

The method used to calculate global exposure and the expected level of leverage effect, as determined for each Fund in accordance with the applicable regulations, are indicated in the respective descriptions.

The SICAV will ensure that its global exposure to derivative instruments does not exceed the total Net Asset Value ("**NAV**") of its portfolio.

Risks are calculated taking due account of the current value of the underlying assets, the counterparty risk, foreseeable market development and the time available to liquidate positions.

In the context of its investment policy and within the limits laid down in point 1.g. above, the SICAV may invest in financial derivative instruments provided that the exposure to the underlying assets does not exceed the investment limits laid down in point 1. When the SICAV invests in derivative financial instruments based on an index, these investments shall not be combined with the limits set in point 1.

When a transferable security or money-market instrument involves a derivative, the latter must be taken into account when applying the provisions in this point.

Restrictions relating to securities lending

11. The SICAV may engage in securities lending within the framework of a standardised lending system organised by a recognized securities clearing institution or by a first-rate financial institution which specialises in this type of transaction, subject to the following rules:

- in principle, the SICAV must receive a guarantee, the value of which, at the time of the loan agreement being concluded and for the entire duration of the loan, is at least equal to the total value of the securities lent.

This guarantee must be given in the form of liquid assets and/or securities issued or guaranteed by Member States of the OECD or by their local authorities or by supranational institutions and organisations of a Community, regional or global character. The funds/securities must be blocked in the SICAV's name until the lending contract expires.

- lending operations may not affect more than 50% of the total valuation of the securities held in the portfolio if the SICAV is not entitled to have the contract rescinded and the securities loaned returned at any time.
- transactions may not extend beyond a period of thirty days.

Restrictions relating to repurchase agreements

12. The SICAV may enter into repurchase agreements consisting in the purchase and sale of securities, the clauses of which reserve the seller the right to repurchase the securities sold from the buyer at a price and date stipulated between the two parties on entering into the agreement, provided that the counterparties are first-class financial institutions which specialise in this type of transaction.

During the term of a repurchase agreement the SICAV may not sell the securities forming the object of the agreement before the counterparty has exercised its right to redeem the securities or before the repurchase period expires; the SICAV must ensure that repurchase transactions are performed on a scale such that it is able at all times to meet its obligation to repurchase its own Shares.

Restrictions relating to repurchase and reverse repurchase agreement transactions

13. The SICAV may enter into repurchase and reverse repurchase agreements, the clauses of which reserve the seller the right or obligation to repurchase the securities sold from the buyer at a price and date stipulated between the two parties on entering into the agreement, provided that the counterparties are first-class financial institutions which specialise in this type of transaction.

During the term of a reverse repurchase agreement the SICAV may not sell the securities forming the object of the agreement; the SICAV must ensure that reverse repurchase transactions are performed on a scale such that it is able at all times to meet its obligation to repurchase its own Shares. On maturity of a repurchase agreement the SICAV must have sufficient liquid assets to enable it to fulfil its obligation to repurchase the securities.

Restrictions relating to "repurchase" or "repo" transactions

14. The SICAV may enter into "repurchase" or "repo" transactions whereby one party – the "seller" – agrees to sell to the other party – the "buyer" – securities against payment of the purchase price by the seller to the buyer with a firm undertaking on the part of the buyer to sell equivalent securities to the seller on a specified date or on request in exchange for payment of the purchase price by the seller to the buyer.

The SICAV may act either as buyer or seller in "repo" transactions.

The counterparties must be first-class financial institutions which specialise in this type of transaction.

During the term of a "repo" agreement where the SICAV is acting as the buyer, it may not sell the securities covered by the agreement until either the counterparty repurchases the securities or the repurchase period expires.

The SICAV must ensure that repo transactions are performed on a scale such that it is able at all times to meet its obligation to repurchase its own Shares. On maturity of a "repo" agreement where the SICAV acts as the seller the SICAV must have sufficient liquid assets to enable it to meet its obligation to repurchase the securities.

Restrictions relating to "buy/sell" transactions

15. The SICAV may enter into "buy/sell" transactions for which the buyer agrees to sell the bond in cash before subsequently repurchasing it. The selling price of the bond includes the interest accrued on the coupon on the date of sale, while the repurchase price includes this initial amount and the "repo" interest.
Buy/sell transactions are subject to the same conditions as those applicable to "repo" transactions.
16. The Management Company shall employ a risk management method enabling it to verify and measure the risk associated with its positions and the contribution of said positions to the general risk profile of the portfolio at any time, and which enables an accurate valuation independent of the value of over-the-counter derivative instruments. The risk management method used shall be dependent on the specific investment policy for each sub-fund. Unless otherwise stated in the data sheet of a particular Sub-Fund, the commitment approach will be used to measure the overall risk.

VI. CROSS INVESTMENTS

A Sub-Fund may subscribe, purchase and / or hold securities issued or to be issued by one or more other Sub-Funds (the "**Target Sub-Fund(s)**"), provided that:

- the Target Sub-Fund does not, in turn, invest in the Sub-Fund that has invested in the Target Sub-Fund;
- the proportion of assets that the Target Sub-Fund being purchased may invest overall in units of other UCITS or UCIs does not exceed 10%;
- any voting rights attached to the securities in question will be suspended for as long as they are held by the Sub-Fund in question, notwithstanding suitable treatment in the accounts and periodic reports;
- in all cases, and as long as these securities are held by the SICAV, their value will not be taken into account in the calculation of the SICAV's net assets for the purposes of verifying the minimum threshold of the net assets imposed by the Law of 2010;
- subscription, redemption and conversion fees may only be taken into account at the level of the Sub-Fund investing in the Target Sub-Fund or at the level of the Target Sub-Fund;
- there must be no duplication of management fees on the fraction of assets held by a Sub-Fund in a Target Sub-Fund.

VII. MASTER / FEEDER STRUCTURES

Under the terms laid down by the laws and regulations applicable in the Grand Duchy of Luxembourg, the Board of Directors is fully, and at any time deemed appropriate, authorised by the laws and regulations of the Grand Ducal territory to:

create a Sub-Fund qualifying as a feeder UCITS (the "**Feeder Fund**") or master UCITS (the "**Master Fund**");
convert an existing Sub-Fund into a Sub-Fund qualifying as a Feeder Fund or change the Master Fund of any Sub-Fund qualifying as a Feeder Fund.

The Master Fund must not itself be a feeder fund and must not hold shares / units in a feeder fund.

Notwithstanding Article 2(2), first indent, in Articles 41, 43, 46 and Article 48(2), third indent of the Law of 2010, Sub-Funds qualifying as Feeder Funds must invest at least 85% of their assets in shares or units of a Master Fund or a Sub-Fund thereof.

A Sub-Fund acting as a Feeder Fund may also invest up to 15% of its assets in one or more of the following:

ancillary liquidities in accordance with Article 41(2), second paragraph of the Law of 2010;
derivatives, which may be used solely for hedging purposes, in accordance with Article 41(1) (g) and Article 42(2) and (3) of the Law of 2010;
movable property and real estate essential to the operational activity of the SICAV.

The Master Fund must provide the Feeder Fund with all the documents and information necessary for it to comply with the requirements of the Law of 2010. To this end, the Feeder Fund concludes an agreement with the Master Fund. A summary of this agreement put in place for each master / feeder structure will be available at the 's registered office.

When the Master Fund and the Feeder Fund are both managed by the Management Company, this agreement may be replaced by the Management Company's internal rules of conduct.

If a Feeder Fund invests in the shares / units of a Master Fund managed directly or by delegation by the Management Company or by a company with which the Management Company is linked by joint management or control or a significant direct or indirect interest, the Management Company or the other company cannot invoice any subscription or redemption fees in connection with the investments of the Feeder Fund in the shares / units of the Master Fund.

The maximum level of management fees invoiced to the Feeder Fund and the Master Fund is indicated in the fact sheet of each of the sub-funds concerned. The SICAV's annual report indicates the maximum proportion of the total fees of each Feeder Fund and its Master Fund. The Master Fund will not charge any subscription or redemption fees on the investments or sales of the Feeder Fund in shares / units of the Master Fund.

Under the above master-feeder structures, if the custodian of the Master Fund is different from the custodian of the Feeder Fund, the custodians of the two entities shall put in place an information sharing agreement in accordance with the provisions of Article 80 of the Law of 2010. Likewise, if the statutory auditor or certified auditor of the Master Fund differs from that of the Feeder Fund, they shall put in place an information sharing agreement in accordance with the provisions of Article 81 of the Law of 2010.

VIII. EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES

The revenue generated by securities lending and efficient portfolio management techniques comes back to the relevant Sub-Fund. The operational costs, deducted from the gross revenue generated by the securities lending transactions, are in principle expressed as a fixed percentage of the gross revenue and come back to the counterparty of the SICAV. The SICAV's annual report includes the identity of the counterparty, indicates whether or not this counterparty is a party linked to the Management Company or the Custodian Bank and the breakdown of the revenue generated by securities lending transactions and the costs linked to these transactions.

The SICAV guarantees that it will always be in a position to recall any security having been loaned or to put an end to any securities lending transaction that it has contracted.

A Sub-Fund performing a *reverse repurchase agreement* transaction shall ensure that it is, at all times, capable of recalling the total cash amount or putting an end to the reverse repurchase agreement transaction either on a *pro-rata temporis* basis or on a *mark-to-market* basis. Where the cash can be recalled at any time on a *mark-to-market* basis, the *mark-to-market* value of the reverse repurchase agreement transaction must be used to calculate the net asset value of the UCITS.

Where the SICAV concludes transactions on over-the-counter financial instruments and/or uses *efficient portfolio management techniques*, all financial collateral serving to reduce the counterparty's exposure to risk must respect the following criteria at all times:

- a) Liquidity: all financial collateral received other than cash must be very liquid and be traded on a regulated market or in a multilateral trading system at transparent prices so that they may be sold quickly at a price close to the valuation prior to the sale. Financial collateral received must also comply with the provisions of Article 56 of the UCITS Directive.
- b) Volatility: financial collateral received must be subject to valuation at least daily, and assets displaying high price volatility must not be accepted as financial collateral, unless sufficiently prudent discounts are applied.
Regarding assets received as collateral which would represent a significant risk of volatility, the sub-fund shall apply a prudent discount. In general, a discount of 20% will be applied to convertible shares and bonds pledged as a guarantee deposit and a 15% discount will be applied to bonds and debt instruments issued by *investment-grade*-rated issuers, by a recognised agency.
- c) Issuer credit quality: financial collateral received must be of excellent quality.
- d) Correlation: financial collateral received by the SICAV must be issued by an entity independent of the counterparty and shall be deemed not to be highly correlated with the performance of the counterparty.
- e) Diversification of financial collateral (concentration of assets): financial collateral must be sufficiently diversified in terms of countries, markets and issuers. The criterion of sufficient diversification in terms of the concentration of issuers shall be deemed to be respected if the SICAV receives a counterparty as per the efficient portfolio management techniques and over-the-counter financial instrument transactions. A basket of financial collateral shall present the exposure of a given issuer up to a maximum of 20% of its net asset value. If the SICAV is exposed to different counterparties, the different baskets of financial collateral should be aggregated to calculate the 20% exposure limit to a single issuer.
- f) Risks linked to the management of financial collateral, such as operational risks and legal risks must be identified, managed and mitigated by the risk management process.
- g) Financial collateral received as a title transfer must be held by the SICAV's custodian. With regard to other types of financial collateral arrangements, financial collateral can be held by a third party custodian subject to prudential supervision and which has no connection to the supplier of the financial collateral.
- h) Financial collateral received must be able to give rise to full enforcement by the SICAV at all times, without consulting the counterparty or gaining their approval.
- i) Financial collateral other than cash may not be sold, reinvested or used as collateral.

j) Collateral received in the form of liquid assets (*cash deposits*) in a currency other than that of the Sub-Fund shall be subject to a discount of 10%.

k) Financial collateral received in cash must only be:

- placed as a deposit with the entities detailed in Article 50(1), point f) of the UCITS Directive;
- invested in high quality government bonds;
- used for the purposes of reverse repurchase agreement transactions, as long as these transactions are undertaken with credit institutions that are subject to prudential supervision and on condition that the SICAV may recall the full amount of the liquid assets at any time, taking into account interest accrued;
- invested in short-term monetary UCITS.

l) Financial collateral in cash reinvested should be diversified in accordance with the requirements applicable to financial collateral other than cash.

m) When the SICAV receives financial guarantees of at least 30% of assets, it must have a crisis simulation policy that ensures that appropriate stress tests are regularly carried out under conditions of both normal than exceptional liquidity to enable the SICAV to assess the liquidity risk associated with the financial guarantees. The crisis policy must at a minimum prescribe:

- The design of an analysis model for scenario stress testing focused on, among other factors, calibration, certification, and sensitivity;
- An empirical approach to impact analysis, including post-audit estimates of liquidity risk;
- The frequency of notifications and limit/loss thresholds; and
- Mitigation measures to reduce losses, including a discount policy and protection against a sudden change in valuation ("**gap risk**").

o) The Prospectus (including the description of any Sub-Fund concerned) shall also inform investors clearly about the policy of the Sub-Fund with respect to financial guarantees. Types of financial guarantees authorised, the level of financial guarantees required and the discount policy shall be included, as well as the reinvestment policy (including associated risks) regarding financial guarantees in cash. Before implementation of the above provisions, the Prospectus (including the description of any Sub-Fund concerned) must be updated.

IX. RISK FACTORS

General Information

The following elements are intended to inform investors of the uncertainties and risks associated with investments and transactions in transferable securities and other financial instruments. Although the greatest care has been taken in the understanding and management of these risks, Sub-Funds and their respective Shareholders shall ultimately bear the risks associated with investments in the relevant Sub-Funds.

The list of risk factors as detailed below is not intended to provide a full and exhaustive explanation of the risks linked to investment in Sub-Fund Shares. Similarly, and on a case-by-case basis, each Sub-Fund may be exposed to one or more risks simultaneously or successively.

Discretionary management

The management style applied to the various Sub-Funds is discretionary and conviction-led, based on the anticipation of the management teams on the growth of the various different equity markets, interest and exchange rate markets and/or different classes of assets.

There is a risk that at any given time, the Sub-Funds may not be invested and/or exposed to the best-performing markets or asset classes.

Past performance

Information on the past performance of each Sub-Fund is set out in the relevant KIID.

Past performance should not be considered an indication of the future performance of the Sub-Fund, and can under no circumstances guarantee future results.

Value fluctuations - Risk of capital loss

Investments made in the SICAV are subject to the fluctuations of the financial markets and to other risks inherent to investments in transferable securities and other financial instruments. They can be no assurance that an increase in the value of investments and the capital value of your initial investment is guaranteed. The value of investments and the revenue arising from investment may fall or increase, and the amounts originally invested may not be recovered.

There is no assurance that the investment objectives of each Sub-Fund shall be achieved.

Shares

For Sub-Funds investing in shares, the value of these shares may vary, sometimes significantly, based on the activities and results of companies or depending on the general conditions prevailing on the market, the economic situation or other events. Fluctuations in the exchange rate shall also affect value variations if the investment currency differs from the benchmark currency of the Sub-Fund holding this investment.

Investments in *small & mid cap* companies

The prices of small and medium-sized company securities are potentially more volatile than those of larger companies. The securities are often less liquid and these companies may be subject to more significant fluctuations of market prices than larger, more well-established companies. Investments in transferable securities of small cap companies are sometimes considered as offering a greater capacity for appreciation, but may also involve more significant risks than those generally associated with more established companies, as they are generally more inclined to be affected by less favourable market or economic conditions. These companies can have limited product lines, markets or financial resources, or they may depend on a limited management grouping. Aside from their higher volatility, shares in small and medium-sized companies may fluctuate, to a certain extent, independently of the shares of bigger companies (for example, shares in small and medium sized companies may experience a fall in price, while those of larger companies may increase, and vice versa). For Sub-Funds specialising in these companies, it is highly likely that transactions - especially those relating to a significant volume - have a stronger effect on the inherent costs of operating a Sub-Fund than when similar transactions are carried out in bigger companies, owing to the relatively illiquid nature of shares in small- and medium-sized companies.

Emerging Markets

A number of Sub-Funds are liable to be invested or exposed wholly or partially to emerging markets. Emerging markets are at a less advanced stage of development than developed markets and therefore entail greater risks. Investors should take into account the higher volatility of securities issued on these markets in relation to developed markets. The risk of fluctuations in prices or of the suspension of redemptions is therefore greater for these Sub-Funds than for those operating on more developed markets. This volatility can come as a result of political and economic factors. It can be reinforced by factors linked to legal issues, the liquidity of the market, payments, delivery of securities and exchange. Some emerging markets are relatively prosperous economies, but are sensitive to global prices of raw materials and/or to the volatility of inflation rates. Others are especially exposed to the economic situation prevailing in other countries.

Although the greatest care has been taken in the understanding and management of these risks, the relevant Sub-Funds and their respective Shareholders shall ultimately bear the risks associated with investments on these markets.

Bonds, debt instruments and fixed income securities (including high-yield securities) - Interest rate risk

For Sub-Funds investing in bonds and other debt securities, the value of these investments will depend on the market interest rate, the financial solidity of the issuer and the liquidity.

The NAV of a Sub-Fund investing in debt securities will vary based on fluctuations in the interest rate, the perceived financial solidity of the issuer, the liquidity of the market and the exchange rates (where the currency of an investment differs from the benchmark currency of the Sub-Fund holding this investment).

High yield risk

Some Sub-Funds may invest in high-yield debt securities for which the level of income may be relatively high (compared to “**investment grade**” quality debt securities). However, the risk of depreciation and capital loss relating to these securities will be substantially greater than that for lower-yield debt securities.

Risk relating to *investment grade* quality securities

Some Sub-Funds may invest in investment grade quality debt securities. Generally speaking, *investment grade* quality fixed-income securities are awarded a rating of BBB-/Baa3 or higher by Standard & Poor's or an equivalent rating from an internationally recognised rating agency or an equivalent assessment based on an internal analysis that does not rely mechanically on the work of rating agencies. *Investment grade* quality debt securities, like other types of debt securities, involve a credit risk and may be exposed to the downgrading of their credit quality or of their rating by ratings agencies within the period between their issuance and maturity. This downgrading may occur over the course of the period during which the Sub-Fund invests in these securities. In the event of one or more downgrades below *investment grade* quality, or other, the Sub-Funds may continue to hold these securities.

Securities awarded a lower rating/unrated securities

The credit quality of debt securities is often assessed by ratings agencies. Securities having obtained an average or lower rating and unrated securities of a comparable quality may be subject to higher yield fluctuations, more significant spreads between the buy and sell prices, a bigger liquidity premium and heightened market expectations, and consequently more significant value fluctuations than securities awarded a higher rating. Variations in these ratings or forecast variations will be liable to cause yield and value fluctuations which are sometimes significant.

The manager of each Sub-Fund carries out their own credit analysis when selecting securities acquisitions and before maturity. They do not rely exclusively on the ratings provided by ratings agencies and implement an in-depth credit risk analysis and the necessary procedures to make decisions on the acquisition or, in the case of downgrading of these securities, to decide whether to sell them or to keep them. The manager of each Sub-Fund does not automatically rely on these ratings, but gives preference to their own credit analysis to evaluate the credit quality of these assets and decide upon the potential downgrading of the rating.

Exchange rate risk

The total yield and balance of a Sub-Fund may be significantly affected by exchange rate fluctuations if the assets and revenue of the Sub-Fund are expressed in currencies other than the benchmark currency of the Sub-Fund. This also means that exchange fluctuations may significantly affect the price value of the Shares in a Sub-Fund. The three main areas for exchange rate risk relate to repercussions of exchange rate fluctuations on the value of investments, differences in the short-term schedule or perceived income. A Sub-Fund may cover or not cover these risks, using forward foreign exchange or spot transactions. The risks relating to this are presented below in the section covering derivatives.

Exchange rate risk linked to Share Classes denominated in a currency other than the reference currency of the fund

For Share Classes whose reference currency differs from the reference currency of the Sub-Fund and which are not hedged, the value of these Share Classes will be subject to exchange rate risk.

Credit risk

Insolvency or other financial difficulties (defaulting) experienced by one of the institutions with which capital is deposited may be prejudicial to investments. Credit risk may also arise from uncertainties regarding the final repayment of the principal and of interest on investments made in bonds or other debt securities. In both cases, the entirety of the deposit or of the purchasing price of the debt instrument is exposed to a risk of loss in the event of the absence of recovery following defaulting. The risk of default is generally increased with "sub-investment grade" quality debt securities and bonds.

Concentration of investments

Some Sub-Funds may invest in a relatively reduced number of investments or be centred around a specific sector or business segment, or even on a type of asset class, and the Sub-Fund NAV may be more volatile and its risk of loss may be greater owing to this concentration of holdings compared to a Sub-Fund diversified through a wider range of investments or sectors or asset classes.

Legal and tax risks

In some countries, the interpretation and application of legislation and regulations, along with the implementation of Shareholders' rights by virtue of this legislation and these regulations, may create significant uncertainty.

Furthermore, differences may arise between accounting and auditing standards, practices concerning the drafting of reports, and communications obligations as opposed to those generally used internationally. Some Sub-Funds may be subject to withholding tax and other taxes. The tax legislation and regulations in all countries are constantly changing, and these changes may be applied retroactively. The interpretation and application of tax legislation and regulations by the tax authorities in some countries are not as consistent and transparent as those in more developed countries, and are likely to vary from one region to another.

Political risk

This is any risk associated with a political situation, a decision or a lack of decision by the political authorities or national, transnational or supranational administrative authorities: nationalisation without sufficient compensation, embargoes, protectionist measures, exclusion of certain markets, discriminatory taxation, etc., resulting, for example, in lasting damage to public order, economic stability, the integrity of the national territory of the French Republic or the currency that is legal tender in the territory, revolution, civil war, change of constitutional regime not involving free and democratic elections, etc. If such inherently unpredictable events occur, there can be very significant financial consequences.

Liquidity risk

Under normal market conditions, the assets in a Sub-Fund are mainly made up of feasible investments likely to be sold easily. A Sub-Fund's main obligation is to redeem the shares that investors wish to sell. In general, the Sub-Fund manages their investments, including liquid assets, so as to honour its obligations. Investments held may need to be sold if the liquid assets are not sufficient to finance these redemption requests. If the size of these redemptions is not sufficient or if the market is illiquid, there is a risk that investments cannot be sold or that the price at which they are sold is prejudicial to the Sub-Fund's NAV.

Derivatives

The SICAV may use various derivatives to reduce risks or costs, or even to generate additional capital or income, as well as for the purposes of arbitration, so as to fulfil the Sub-Fund's investment objectives. Sub-Funds may use a large number of derivatives and/or in view of more complex strategies (i.e.: broader powers in terms of derivatives) than those detailed in their investment policies and objectives. In this Section - and other sections relating to derivatives, derivatives traded over-the-counter or outside a stock market are given as "over-the-counter" or "OTC" derivatives. Investors are encouraged to consult their own financial adviser as to the suitability of a given Sub-Fund in relation to their specific needs, while keeping in mind their powers as to the usage of derivatives.

While the careful use of derivatives by experienced investment advisers, such as the Management Company or the manager of each Sub-Fund, may be beneficial, derivative instruments also involve different risks which, in some cases, may be greater than those associated with more traditional investments. The use of derivatives may give rise to a certain leverage effect causing more pronounced volatility and/or greater variations in the NAVs of these Sub-Funds than in the absence of a leverage effect.

This leverage effect tends to cause more disproportionate effects in any rise or fall in the value of securities and other instruments in the relevant Sub-Funds. The following information gives a general presentation of the main risk factors linked to the use of derivatives. These factors should be taken into account by the investor prior to any investment in the Sub-Funds in question.

- **Market risk** : means the general risk applied to all investments, i.e.: the value of an investment may fluctuate. Where the value of an underlying asset (a security or a benchmark index) of a derivative varies, the value of the instrument will be positive or negative, depending on the performance of the underlying asset. With derivatives without an option, the absolute scale of the fluctuation in the value of a derivative instrument will be very similar to the fluctuation of the underlying security value or benchmark index. In the case of these options, the absolute variation of the value of an option will not necessarily be similar to the variation of the underlying security because, as explained in more detail below, changes in the values of options depend on a certain number of other variables.
- **Liquidity risk** : a liquidity risk exists when a given instrument is difficult to purchase or sell. If a transaction on a derivative is particularly sizeable or if the relevant market is illiquid (as is the case with many over-the-counter derivative instruments), it may be impossible to initiate a transaction or to liquidate a position at an advantageous price.
- **Counterparty risk** : means the risk of loss that a Sub-Fund may suffer if the other party to a derivative instrument (generally called the “**counterparty**”) cannot honour the terms of the derivative agreement. The credit risk and counterparty risk for a market traded derivative instrument is generally lower than an over-the-counter derivative instrument, as the clearing house acting as the issuer or the counterparty for each market traded derivative instrument gives a clearing guarantee. This guarantee is sustained by a daily payment system (meaning obligatory margins) managed by the clearing house in order to reduce the overall credit and counterparty risk. Assets deposited as a guarantee with brokers and/or stock exchanges cannot be held in separate accounts by these counterparties, and may therefore be available for creditors on these counterparties in the event of the defaulting of these latter. With regard to over-the-counter derivative instruments, no similar guarantee from clearing houses is offered. Accordingly, the Management Company or the manager of each Sub-Fund adopts a counterparty risk management framework that measures, monitors and manages the counterparty risk taking account of the current and potential future exposure to each counterparty. Over-the-counter derivative instruments are not standardised. This is an agreement between two parties which may be adapted based on the needs of the parties involved. The information risk is reduced through adherence to the standard ISDA documentation. The exposure of a Sub-Fund to a single counterparty may not exceed 10% of its net assets. The counterparty risk can then be minimised through guarantee agreements. However, guarantee agreements are always subject to insolvency risk and credit risk among issuers or the custodian of the guarantee. As well as this, guarantee thresholds are in place below which a guarantee is not called, and time differences between the calculation of the guarantee requirements and its reception by the Sub-Fund from the counterparty will mean that the current exposure will not be fully guaranteed.
- **Settlement risk** : a settlement risk exists when standardised futures contracts, futures contracts, CFD, options and swaps (of all types) are not settled in good time, thereby increasing the credit risk before settlement. This may lead to financing costs which would not otherwise arise. If settlement does not take place, the loss borne by the Sub-Fund will be the same as for any other situation involving a security, i.e.: the difference between the original contract price and the replacement contract price or, if the contract is not replaced, the absolute value of the contract at the time of its cancellation.
- **Portfolio management risk** : derivatives are highly specialised instruments which require different investment techniques and risk analyses than those associated with shares and bonds. The use of derivatives involves an understanding not only of the underlying asset, but also of the derivative itself, without necessarily having the possibility of observing the performance of the derivative under all possible market conditions. Aside from this, the price of an over-the-counter derivative cannot be aligned to the price of the underlying instrument under certain market conditions.
- **Other risks** : other risks associated with the use of derivatives include the risk of valuation error or incorrect valuation of the price. It is impossible to observe the price of many derivative instruments, especially those traded over-the-counter, on a stock exchange, which therefore involves the use of formulae, with the price of underlying securities or benchmark indices obtained from other market price data sources. Over-the-counter options involve the use of models, with hypotheses, which increase the risk of a price error. An incorrect valuation of this type of instrument may lead to increased cash payment demands among counterparties, or a loss of securities for the Sub-Funds. The correlation between these derivative instruments and the assets, rates or indices they are supposed to follow is often imperfect, and sometimes even relative. Consequently, the use of derivative instruments by Sub-Funds may not be an effective resource in terms of pursuing their investment objectives and may be seen to be counter productive.
- **Short-sale exposure**: Sub-Funds use synthetic short positions via the use of derivatives settled in cash, such as swaps, standardised futures contracts and over-the-counter futures contracts in order to improve the overall performance of the Sub-Funds. A synthetic short position reproduces the economic effect of a transaction through which a Sub-Fund sells a security which it does not own but which it has borrowed, in anticipation of the fall in the market value of the security in question. Where a Sub-Fund acquires a synthetic short position on a transferable security which it does not hold, it sets up a derivative transaction with a counterparty or a

brokerage company, and closes this transaction prior to its maturity date through the reception or payment of all profits and losses arising from the transaction. The Sub-Fund may be required to pay a commission on its synthetic short positions, and is often required to return any amount received on the securities in question. If the rate of the security on which the synthetic short position is applied increases between the time of taking up the position in question and its closure, the Sub-Fund will suffer a loss. Conversely, if the rate falls, the Sub-Fund will make a short-term gain. Any gain will be reduced and any loss will be increased by the transaction fees detailed above. Although the gain for a Sub-Fund is limited to the price at which it initiates the synthetic short position, the potential loss is theoretically unlimited.

- **Leverage effect:** the portfolio of a Sub-Fund can benefit from a leverage effect through the use of derivatives, i.e.: by transactions on futures and options markets. A weak margin deposit is required for standardised futures contracts trading which, taken alongside the low cost of spot positions, offers a certain leverage effect, which can translate to a significant gain or loss for the investor. Relatively limited fluctuations in the rates on forward positions or underlying instruments may lead to significant losses for the Sub-Fund, culminating in a fall in the NAV per share. Option sellers are subject to the risk of loss arising from the difference between the premium received for the option and the futures contract price or the underlying security price of the option which the seller must buy or provide when exercising the option.

- **Risks linked to specific derivatives**

For Sub-Funds which use one or a combination of the following financial instruments, the following risks may be considered as relevant:

- Standardised forward contracts on share indices, on shares, on interest rates and bonds: the risk incumbent on the buyer or the seller of a futures contract traded on the stock exchange is the variation of the value of the underlying index/security/contract/bond. Standardised futures contracts are futures contracts, which means that they constitute a commitment to perform an economic transfer at a future date. Exchanging the value occurs on the date specified in the agreement. Most agreements must be settled in cash, and if a physical delivery is an option, the underlying instrument is in reality rarely exchanged. Standardised futures contracts are distinguished from generic futures contracts because they include standardised conditions, whether they are traded on an official market or if they are settled by supervisory bodies, and are guaranteed by clearing houses. Similarly, to ensure that payments are honoured, standardised futures contracts are subject to an initial and a daily margin obligation which changes according to the market value of the underlying asset.
- Options traded on the stock exchange and over-the-counter: options are complex instruments whose value depends on many variables including, especially, the strike price for the underlying (against the spot price at the time when the option is traded and subsequently), the time of the maturity of the option, the type of option (European, American or other) and the volatility. The most significant market risk factor associated with options is the underlying market risk where the option has an intrinsic value (“**in the money**”) or where the strike price is close to the underlying (“**near the money**”). In these circumstances, the change in value in the underlying will have a significant impact on the change in the option value. Other variables will also have an influence. This influence will probably be greater the more the strike price differs from the underlying price. Unlike options agreements traded on a market (which are regulated via a clearing house), over-the-counter options agreements are traded outside the stock exchange, between two parties, and are not standardised. Furthermore, each party must bear the credit risk of the other. Hedging is used to minimise this risk. The liquidity of an option traded over-the-counter can be less than that for an option traded on a market, and this situation can have a negative impact on the ability to settle the position of an option, or on the price at which the settlement is performed.
- Interest rate swaps: an interest rate swap usually involves the exchange of a fixed amount set by period of payment, with a payment based on a variable rate benchmark index. The notional principal of an interest rate swap is never traded. Only fixed and variable amounts are. Where the payment dates for the two interest amounts coincide, there is usually a net settlement. The market risk for this type of instrument is linked to changes in the benchmark indices used for the fixed and variable parts. An interest rate swap is an over-the-counter agreement between two parties which may be adapted based on the needs of the parties involved. Consequently, each party must bear the credit risk of the other. Hedging is used to minimise this risk.
- Exchange contracts: these involve the exchange of an amount in a currency against an amount in a different currency at a given date. Once the contract has been signed, its value will change based on exchange rate fluctuations and, in the case of futures contracts, interest rate differentials. Where these contracts are used to hedge exposure to exchange risk for currencies other than the benchmark currency compared to the benchmark currency of the Sub-Fund, there is a risk that the hedging will not be comprehensive and that fluctuations in its value will not compensate precisely for the change in value of the hedged exchange exposure. Given that the gross amounts of the contract are exchanged at a given date, there is a risk that the counterparty with which the contract has been passed has a default between the time of payment by the Sub-Fund, before this latter has received the amount due by the counterparty. The Sub-Fund is therefore exposed to credit and counterparty risk for the amount not received and the full principal of a transaction could be lost.

- Credit default swaps (“**CDS**”): these contracts constitute a credit derivative, the market value of which will evolve according to the perceived credit quality of the underlying security or basket of securities. Where protection has been transferred, the Sub-Fund has credit exposure similar to the underlying security or basket of securities as if it had actually made a purchase. Where protection is bought, the Sub-Fund will receive payment from the counterparty to the swap if the underlying security (or basket of securities) encounters a default, based on the difference between the notional swap principal and the expected residual value, as determined by the market at the time of the default. The swap contract is an agreement between two parties, each of whom must bear the credit risk of the other. Hedging is used to minimise this risk. The information risk for CDS is reduced through adherence to the standard ISDA documentation. The liquidity of a CDS can be less than that for an underlying security or basket of securities, and this situation can have a negative impact on the ability to settle the position of a CDS, or on the price at which the settlement is performed.
- Total return swaps (“**TRS**”): these contracts represent a derivative combining market risk and credit risk which is affected by interest rate fluctuations, as well as events and credit prospects. A TRS, which involves the receipt of a total return by the Sub-Fund, is similar in terms of risk profile because it genuinely holds the underlying benchmark security. Furthermore, these transactions can be less liquid than interest rate swaps, as there is no standardisation of the underlying benchmark index and this situation can have a negative impact on the ability to settle the TRS position, or on the price at which the settlement is performed. The swap contract is an agreement between two parties, each of whom must bear the credit risk of the other. Hedging is used to minimise this risk. The information risk for TRS is reduced through adherence to the standard ISDA documentation.
- Swaps indexed to inflation: the market risk for this type of instrument is caused by the change in the benchmark indices used for the two parts of the transaction, one being a benchmark index indexed to inflation. This is an agreement between two parties which may be adapted based on the needs of the parties involved. Consequently, each party must bear the credit risk of the other. Hedging is used to minimise this risk. A swap indexed to inflation usually involves the exchange of a final fixed amount for a payment which is not fixed (the variable part of the swap will usually be linked to an inflation index in one of the main currencies).
- Futures contracts and Contracts for differences (“**CFD**”): the risk for the buyer or seller of these types of contracts is the variation in the value of the underlying security. Where the value of the underlying asset is modified, the value of the contract becomes positive or negative. Contrary to standardised futures contracts (which are concluded via a clearing house), futures contracts and CFD are traded over-the-counter between two parties and are not standardised. Each party has to bear the credit risk of the other, which is not the case with a standardised futures contract and a guarantee is negotiated to mitigate this risk.

• Settlement risk and counterparty risk

All investments in transferable securities are carried out through brokers who are accredited by the Management Company or the manager of each Sub-Fund as being an acceptable counterparty. The list of accredited brokers is reviewed regularly. There is a risk of loss if one counterparty fails to fulfil their financial or other obligations vis-à-vis the Sub-Funds. For example, the possibility that one counterparty defaults, so that it is unable to make payments owed or to make them in a timely fashion. If the settlement never occurs, the loss suffered by the Sub-Fund will correspond to the difference between the price of the initial contract and the price of the replacement contract or, if the contract is not replaced, the absolute value of the contract at the time of its cancellation. Furthermore, the “Delivery against payment” may not be possible on certain markets. In this case, the absolute value of the contract is exposed to a risk if the Sub-Fund honours its settlement obligations but the counterparty defaults before fulfilling its obligations.

• Bonds covered with shares (structured bonds) - Convertible bonds

Bonds covered with shares and similar structured bonds involve structuring by a counterparty of a bond whose value is expected to grow based on the underlying security detailed in the bond. Unlike derivatives, liquid assets are transferred from the buyer to the seller of the bond. If the counterparty (the party from which the bond originates) defaults, the risk weighing on the Sub-Fund is that weighing on the counterparty, regardless of the value of the underlying security of the bond. These types of instruments present additional risks in that their structure tends to be broadly individual.

The liquidity of a bond covered by shares or similar bonds can be less than that for the underlying security, an ordinary bond or security, and this may harm the ability to sell the position or the price at which such a sale is performed.

• Securitised debt securities or structured debt instruments

Sub-Funds may invest in securitised debt securities or structured debt instruments (together understood as structured debt products). These instruments can include securities benefiting from actual guarantees, securities covered by mortgage debts, guaranteed debt instruments and CLOs (*collateralised loan obligations*).

The products of structured debt represent an exposure, synthetic or otherwise, of the underlying assets and the risk/return profile is determined by cash flows arising from these assets. Some of these products involve more than one instrument profile and cash flow, making it impossible to accurately foresee the outcome of all market scenarios.

As well as this, the price of such an investment may depend on variations in the underlying components of the structured debt product, or be highly sensitive to this. The underlying assets can take many different forms, including effects receivable on credit cards, residential mortgage loans, corporate loans, property loans or all other types of receivable products for a company or a structured investment vehicle which regularly receives cash flows from its clients. Some structured debt products may use a leverage effect likely to encounter greater volatility in the rates of the relevant instruments than in the absence of such a leverage effect. Furthermore, investments in structured debt products may be less liquid than those made in other securities. This lack of liquidity can cause a decoupling of the current asset market price compared to the value of the underlying assets. Consequently, Sub-Funds investing in securitised securities will be susceptible to suffering a liquidity risk. The liquidity of a structured debt product can be less than that for an ordinary bond or debt instrument, and this may harm the ability to sell the position or the price at which such a sale is performed.

Mortgage securities

In general, interest rate rises tend to extend the duration of fixed rate mortgage securities thus increasing their sensitivity to interest rate variations. Consequently, in periods of interest rate rises, any Sub-Fund holding mortgage securities can show an additional degree of volatility (extended risk).

Furthermore, fixed and variable rate mortgage securities are subject to early payment risk. Where interest rates are lowered, borrowers can repay their mortgage loans earlier than planned. This leads to a drop in returns for the Sub-Fund, as it can be obliged to reinvest these sums at a lower interest rate than that in force. Furthermore, investments in securitised products may be less liquid than those made in other securities. This lack of liquidity can cause a decoupling of the current asset market price compared to the value of the underlying assets. Consequently, Sub-Funds investing in securitised securities will be susceptible to suffering a liquidity risk. The liquidity of a securitised product can be less than that for an ordinary bond or debt instrument, and this may harm the ability to sell the position or the price at which such a sale is performed.

Loan of transferable securities

Loans of transferable securities involve risk in that (a) if the borrower of transferable securities loaned by a Sub-Fund fails to return them, there is a risk that the guarantee received releases a value lower than that of the transferable securities being loaned owing to a poor valuation, unfavourable market fluctuations, a downgrading of the credit rating of guarantee issuers or a lack of liquidity on the market in which the guarantee is traded, and (b) delays in returning the transferable securities loaned may limit the ability of a Sub-Fund to honour its delivering obligations in terms of the sale of transferable securities.

Repurchase transactions

Repurchase transactions involve risks in that (a) a default of the counterparty with which the liquid assets of a Sub-Fund have been invested entails a risk that the guarantee received releases an amount lower than the amounts invested, owing to the poor valuation of the guarantee, unfavourable market fluctuations, a downgrading in the credit rating from guarantee issuers or a lack of liquidity in the market on which the guarantee is traded; that (b) (i) the holding of liquid assets in excessively long or voluminous transactions, (ii) delays in recovering liquid assets invested or (iii) difficulties enforcing the guarantee may limit the ability of the Sub-fund to meet redemption requests, to purchase securities or, more generally, make reinvestments and (c) repurchase transactions may, as the case may be, further expose a Sub-fund to risks similar to those associated with derivatives such as options or futures.

Price assessment and valuation risk

A Sub-Fund's assets mainly include investments listed where the rate can be obtained from a stock exchange or an equally verifiable source. However, the Sub-Fund will also invest in unlisted and/or illiquid securities, which will increase the risk of a price valuation error.

Furthermore, the Sub-Fund will calculate the NAVs when markets are closed for public holidays or other reasons. In this and other similar cases, no objective and verifiable source of price will be available and the Management Company or the manager of the Sub-Fund, as the case may be, will use the Fair Value method to determine a fair value for the investments concerned. This Fair Value method involves hypotheses and certain subjectivity.

Conflicts of interest

It may arise that the Management Company, the Distributor(s), the Manager and/or the Investment Adviser of each Sub-Fund, the Custodian bank and the Administrative agent, during the course of their activity, have conflicts of interest with the SICAV. The Management Company, the Distributor(s), the Manager and/or the Investment Adviser of each Sub-Fund, the Custodian bank and the Administrative agent shall take into account their respective obligations towards the SICAV and other people during transactions which could give rise to such conflicts of interest. In the event of any such conflicts, each person shall be committed or requested by the SICAV to make every reasonable effort necessary to resolve these conflicts of interest fairly (given their own obligations and attributions)

and ensure that the SICAV and the Shareholders are dealt with fairly.

The Management Company, the Distributor(s), the Manager and/or the Investment Adviser of each Sub-Fund, the Custodian bank and the Administrative agent as well as their subsidiaries, affiliates, associates, agents, administrators, directors, employees or delegates (collectively the “**Interested Parties**” and individually an “**Interested Party**”) may:

- sign contracts or any financial, banking or other transaction with each other or with the SICAV, including but not limited to an investment by the SICAV, in the securities of a company or an entity whereby an investment or any obligation whatsoever forms an integral part of the assets of the SICAV or of a Sub-Fund, or hold an interest in such contracts or transactions;
- invest and trade in shares, securities, assets or any property of a type included in the assets of the SICAV, either on their own behalf or that of a third party; and
- act in the capacity of principal or agent in the purchase or sale of securities and other investments from/to the SICAV through the Manager of each Sub-Fund or the Custodian Bank or one of their subsidiaries or affiliate companies or of one of their associates, agents or delegates. All SICAV assets taking the form of liquid assets may be invested in certificates of deposit or banking investments issued by any Interested Party. Banking or similar transactions may also be performed with or through an Interested Party (on condition that it is authorised to perform this type of transaction).

No Interested Party shall be bound to demonstrate any advantage whatsoever to Shareholders arising from such a transaction and may, if applicable, keep such an advantage as of right, as long as the transaction is carried out under normal market conditions.

Risk Factors of the Sub-funds Qualified as Feeder Funds

The risk factors applicable to a Sub-Fund having the status of Feeder Fund (which are linked to its investment policy of investing at least 85% of its assets in units of a Master Fund) are, for the most part, the risk factors applicable to the relevant Master Fund.

The investment performance of a Feeder Fund will depend on the performance of its Master Fund.

Investments by the Feeder Fund in units of a Master Fund may result in duplication of certain expenses for Shareholders in the Feeder Fund.

Shareholders' are alerted to the fact that a Feeder Fund will be liquidated:

a) when the Master Fund is liquidated, unless the Board of Directors requests authorisation from the CSSF to authorize the Feeder Fund (i) to invest at least 85% of the assets in the shares of another Master Fund or (ii) to change its investment policy for conversion into a Sub-fund that no longer qualifies as a Feeder Fund.

b) where the Master Fund merges with another UCITS or is divided into several UCITS, unless the CSSF authorises the Feeder Fund (i) to maintain the status of a Feeder Fund of the same Master Fund or another UCITS resulting from the merger or division of the Master Fund; (ii) to invest at least 85% of its assets in units or shares of another Master Fund that does not result from the merger or division or (iii) to change its investment policy for the purpose of conversion into a Sub-Fund that no longer qualifies as a Feeder Fund.

The risk factors applicable to each Feeder Fund will be set out in the relevant Sub-Fund data sheet and further described in the relevant Master Fund's prospectus.

X. MANAGEMENT COMPANY

In a service agreement dated 11 October 2019, the SICAV has appointed MANDARINE GESTION to provide management, administration and marketing services. MANDARINE GESTION is authorised by the Autorité des Marchés Financiers (French Financial Markets Authority) under number GP-08000008 as a portfolio management company under French law. The rights and duties of the Management Company are governed by Directive 2009/65/EC, as amended by Directive 2014/91/EU (known as the "UCITS 5 Directive") and the regulations in force.

This latter has delegated, under its responsibility and control, Central Administration to BNP PARIBAS SECURITIES SERVICES, Luxembourg branch.

Moreover, the Management Company may delegate, under its responsibility and control, its management for one or more Sub-Funds to managers, whose name is provided in the Sub-Fund data sheets (hereafter "**Manager(s) of the Sub-Fund(s)**").

The amount of the fees payable to the Management Company and/or the manager of each Sub-Fund and, if applicable, the outperformance fees, are set out in the Sub-Fund fact sheets.

Under his own responsibility and at his own expense, the manager of a Sub-Fund may, subject to the Luxembourg laws and regulations in force and as long as no increase in management fees is incurred, be assisted by one or more investment sub-advisers whose business consists of advising the Manager in their investment policy.

The Management Company may be assisted by one or more Investment Advisers, as detailed in article 10 below.

The Management Company can, under its own responsibility and control, appoint one or more distributors and *nominees* in order to invest the Shares from one or more Sub-Funds of the SICAV.

The Management Company may sign distribution agreements with any professional intermediaries, including banks, insurance companies, wealth managers, "Internet Supermarkets", independent managers, brokerage agents, management companies or any other institution whose main or ancillary activity is the distribution of investment funds and customer monitoring.

In accordance with the UCITS Directive, and any future amendments thereto, the Management Company applies the principles of remuneration to all its employees and in particular the identified personnel (managers, control and compliance officers, commercial staff, General Management). The Management Company intends to promote sound and effective risk management and avoid excessive risk taking. The remuneration paid by the Management Company includes a fixed component and a variable component that is neither guaranteed nor calculated based on a pre-established quantitative formula. The Management Company thus intends to establish an appropriate balance between the fixed and variable components of overall remuneration.

The Management Company has a remuneration committee that reviews the policies followed in the area of employee pay.

The updated remuneration policy of the Management Company is reviewed annually. It is available on the website of the Management Company.

Anyone wishing to obtain further information or make a complaint about the Management Company or the SICAV must contact the Management Company.

As part of the management of the Sub-Funds, the SICAV may use providers of research and analysis services to supplement the work of the managers and analysts in the best interest of the SICAV. Costs related to financial research are borne by the SICAV.

XI. INVESTMENT ADVISERS - INVESTMENT SUB-ADVISERS - FINANCIAL MANAGERS - SUB-MANAGERS

The SICAV and the Management Company may be assisted by one or more Investment Advisers, Investment Sub-Advisers, Financial Managers or Sub-Managers, whose activity consists of advising the SICAV, respectively the Management Company, regarding the investment policy and the management of investments made by the SICAV.

Control and ultimate responsibility for the activities of the investment adviser(s) and/or sub-advisers and/or financial manager(s) and/or sub-manager(s) shall be assumed by the Board of Directors of the Management Company.

The names and a description of the Investment Advisers, Investment Sub-Advisers, Financial Managers or Sub-Managers directly remunerated by the SICAV, along with their remuneration, are set out in the Sub-Fund data sheets.

XII. CUSTODIAN BANK AND PAYING AGENT

BNP PARIBAS SECURITIES SERVICES, Luxembourg Branch, with registered office at 60, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg, has been established in Luxembourg since June 2002.

As the Custodian Bank and Paying Agent, the Bank fulfils its obligations and duties, as provided for under Directive 2009/65/EC, as amended by Directive 2014/91/EU, the so-called “UCITS 5 Directive”, the Law of 2010 and the regulations in force.

Description of the responsibilities of the Custodian Bank and potential conflicts of interest

The Custodian Bank has three types of responsibilities: monitoring the compliance of the decisions of the Management Company (as defined in Article 34(1) of the Law of 2010), monitoring the cash flows of the SICAV (as defined in Article 34(2) of the Law of 2010), and custody of the SICAV's assets (as defined in Article 34(3) of the Law of 2010). All of these responsibilities are set out in a written contract between the Management Company, the SICAV and the Custodian Bank, BNP PARIBAS SECURITIES SERVICES, Luxembourg Branch.

The primary objective of the Custodian Bank is to protect the interests of Shareholders in the UCITS, which always prevail over commercial interests.

Potential conflicts of interest may be identified, in particular if the Management Company or the SICAV also maintains commercial relations with BNP Paribas Securities Services - Luxembourg Branch in parallel with its appointment as Custodian Bank (which may be the case if BNP Paribas Securities Services - Luxembourg Branch calculates, by delegation of the Management Company, the NAV of the UCITS for which BNP Paribas Securities Services - Luxembourg Branch is the Custodian Bank, or when a group relationship exists between the Management Company and the Custodian Bank).

To manage these situations, the Custodian Bank has implemented and maintains a management policy for conflicts of interest with the following objectives:

- Identifying and analysing situations involving potential conflicts of interest;
- Recording, managing and monitoring situations involving potential conflicts of interest:
 - based on permanent measures in place to manage conflicts of interest, such as segregation of duties, separation of hierarchical and functional lines, monitoring of internal insider lists, and dedicated IT environments;
 - by implementing on a case-by-case basis:
 - preventive and appropriate measures such as the creation of ad hoc watchlists, new Chinese walls (in particular by ensuring the operational and hierarchical separation of the duties of the custodian bank from its other activities) or by verifying that transactions are properly processed and/or informing affected customers; or
 - by refusing to manage activities that may give rise to conflicts of interest;
- Implementation of an ethical policy;
- Registration of a conflict of interest map to create an inventory of permanent measures put in place to protect the interests of the SICAV; or
- The establishment of internal procedures relating, for example, to (i) the appointment of service providers that could generate conflicts of interest, (ii) new products or new activities of the custodian bank to assess any situation leading to a conflict of interest.

Description of any custodial functions delegated by the Custodian Bank, list of delegates and sub-delegates and identification of conflicts of interest likely to arise from such delegation

The custodian bank of the SICAV, BNP Paribas Securities Services, Luxembourg Branch, is responsible for custody of the assets (as defined in Article 34(3) of the Law of 2010). In order to provide services related to the safekeeping of assets in a large number of countries, enabling the UCITS to achieve their investment objectives, BNP Paribas Securities Services – Luxembourg Branch has appointed sub-custodians in countries where BNP Paribas Securities services – Luxembourg Branch would have no local presence. These entities are listed on the following website: http://securities.bnpparibas.com/files/live/sites/portal/files/contributed/files/Regulatory/Ucits_delegates_EN.pdf.

The process of appointment and supervision of the sub-custodians is carried out in accordance with the highest quality standards, including the management of potential conflicts of interest that may arise in connection with these appointments.

Up-to-date information on the duties of the custodian bank, the conflict of interest management policy and the list of delegates and sub-delegates, may be obtained free of charge upon request from the custodian bank of the SICAV.

XIII. DESCRIPTION OF SHARES, SHAREHOLDER RIGHTS AND DISTRIBUTION POLICY

The net assets constituting the assets of each Sub-Fund are represented by Shares, which may be from different Share classes (the “Class” or “Classes”). All of these share Classes together represent the assets of a Sub-Fund.

The SICAV issues MG Class Shares at the rate of at least one MG Class Share per Sub-Fund. MG Class Shares are issued to Mandarine Gestion and its group companies and are registered.

The share Classes issued or scheduled at the date of publication of this Prospectus, along with the additional information, are indicated in the descriptions in Annex 1 of the Prospectus. Investors are encouraged to seek information from their advisers in order to learn about the list of Classes issued.

In accordance with article 6 of the articles of association of the SICAV, the Board of Directors may at any time decide to create different share Classes within a single Sub-Fund, which can be separated, inter alia, by specific subscription and/or redemption fee structures, by specific exchange risk hedging policies, by specific distribution policies and/or by specific management or advisory fees or by other specific details applicable to each class. In the event of the issuance of new share Classes, the relevant information will be given in the Sub-Fund descriptions in Annex 1 to this Prospectus.

In each Sub-Fund, Shares issued in currencies other than the base currency of the Sub-Fund may be created. These Shares may be “hedged” or “unhedged”. *“Hedged” Shares: hedged Shares will aim to largely hedge the exchange rate risk of these Shares with respect to a given currency.* However, due to the volatility of the underlying portfolio, the Management Company cannot guarantee that the hedged Shares will be fully hedged against currency risk. A residual exchange rate risk cannot be excluded.

The Shares may, if so decided by the Board of Directors, be listed on the Luxembourg Stock Exchange and the Board of Directors may decide which Share Classes will be listed.

The Classes may be divided into capitalisation Shares and distribution Shares (indicated in Annex I by the reference “(d)”).

Where a dividend is distributed to distribution Shares, the asset attributable to Shares in this Class will be deducted from the overall amount of the dividend, while the net asset attributable to capitalisation Shares will remain unchanged.

Dividends are paid in the respective currency of the corresponding share Class.

At its own discretion, the Board of Directors reserves the right to accept subscriptions for an amount less than any initial required amount, as detailed in each Sub-Fund data sheet.

At any time and if it deems necessary, the Board of Directors may temporarily suspend, definitively halt or limit the issue of Shares from one or more Sub-Funds to natural or legal persons residing or domiciled in certain countries or territories, or exclude them from the issuance of Shares, if such a measure is necessary to protect the integrity of all Shareholders and the SICAV.

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Furthermore, the sub-fund shall have the right to:

- a) refuse a request for the acquisition of Shares, at its discretion,
- b) redeem Shares which have been acquired in contravention of an exclusion measure, at any time.

XIV. ENTITIES AUTHORISED TO RECEIVE SUBSCRIPTION, REDEMPTION AND CONVERSION ORDERS IN LUXEMBOURG

The following bodies are authorised to receive subscription, redemption and conversion orders on behalf of the SICAV:

BNP PARIBAS SECURITIES SERVICES, Luxembourg Branch,
BNP PARIBAS SECURITIES SERVICES SA, Paris

The attention of investors is drawn to the fact that the SICAV does not authorise “Market Timing” practices. The SICAV reserves the right to reject any subscription and conversion order issued by an investor that the SICAV suspects of employing such practices and to take the necessary measures to protect the other SICAV investors, where necessary. Subscriptions, redemptions and conversions are at unknown or super-unknown NAVs, based on the terms and conditions of the Sub-Funds.

Money laundering legislation

In order to combat money laundering, subscription orders must be accompanied by a certified true copy by a competent authority (e.g. embassy, consulate, notary or police commissioner) of the subscriber’s identity card in the case of a natural person or of the articles of association and an excerpt from the Register of Companies in the case of a legal entity, in the following cases:

1. in the event of direct subscription to the SICAV;
2. in the event of subscription through a financial sector professional residing in a country that is not subject to an identification obligation equivalent to Luxembourg standards with regard to the combating money laundering and the financing of terrorism;
3. in the event of subscription through a subsidiary or branch whose parent company is subject to an identification obligation equivalent to that demanded under Luxembourg law, if the law applicable to the parent company does not oblige it to ensure compliance with these provisions for its subsidiaries and branches.

Furthermore, the SICAV must identify the source of the funds in the event that the sources are financial establishments that are not subject to an identification obligation equivalent to that required by Luxembourg law. Subscriptions may be blocked temporarily until the source of the funds has been identified.

The SICAV may require additional documentation regarding a new or existing subscription at any time. Any failure to meet this requirement for additional documentation shall lead to the suspension of the new subscription procedure. The same consequence shall arise if this documentation has been requested and not supplied within redemption operations.

It is generally accepted that financial sector professionals resident in countries that have ratified the conclusions of the GAFI (Financial Action Task Force on Money Laundering) report are considered to have an identification obligation equivalent to that required by Luxembourg law, in particular under the applicable European directives and regulations, the Luxembourg Law of 5 April 1993 on the financial sector (as amended), the Luxembourg Law of 12 November 2004 on the fight against money laundering and terrorist financing (as amended), the Law of 27 October 2010 on strengthening the legal framework to combat money laundering and the financing of terrorism, *Luxembourg Financial Regulatory Authority* Regulation No 12-04 of 14 December 2012 on the fight against money laundering and terrorist financing, *Luxembourg Financial Regulatory Authority* circulars (including, but not limited to, Circulars Nos 13/556, 11/529, 11/528, 10/486 and 10/484), as well as other applicable European or Luxembourg laws and regulations.

XV. SUBSCRIPTIONS, REDEMPTIONS AND CONVERSIONS

Subscriptions, redemptions and conversions are carried out in accordance with the Articles of Association of the SICAV as set forth in the Sub-Fund data sheets.

Depending on the Sub-Funds, subscriptions, redemptions and conversions are made either at an unknown NAV (NAV calculated on D+1) or at a super-unknown NAV (NAV calculated on D+2).

Subscriptions, redemptions and conversions are performed in the currency of the Sub-Funds or asset Classes concerned.

XVI. DEFINITION AND CALCULATION OF THE NET ASSET VALUE

The net assets of each Sub-Fund of the SICAV and the calculation of the Net Asset Value per share are valued on each day (“**Valuation Day**”) indicated in the Sub-Fund’s fact sheet. The NAV on the Valuation Day shall be determined based on the last closing price available on the Valuation Day and shall actually be calculated on the banking business day in Luxembourg following the Valuation Day.

The NAV of a Share, irrespective of the Sub-Fund and Share Class in which it is issued, shall be determined in the currency of that Share Class.

In the event of significant subscriptions, redemptions and/or conversions to and/or from a Sub-Fund on the same full banking business day in Luxembourg, and to take account of the dilution effect and protect Shareholders' interests, the Management Company reserves the right to apply the *swing pricing* mechanism as part of its daily valuation policy, provided that this possibility is provided for in the relevant Sub-Fund data sheet. This means that if, during a full banking business day in Luxembourg, the total figure for transactions on the Shares of a Sub-Fund exceeds the threshold set by the Management Company, the NAV of the relevant Sub-Fund may be adjusted to an amount not exceeding 2% of the relevant NAV, to reflect both the estimated tax charges and trading costs that may be incurred by the relevant Sub-Fund, as well as the estimated difference in trading of the assets in which the relevant Sub-Fund invests or sells.

In this case, the official (i.e. published) NAV per Share corresponds to the NAV for which the *swing pricing* mechanism has been applied. If a dilution adjustment is performed, it usually increases the NAV per Share in the event of significant net capital inflows in the relevant Sub-Fund and reduces the NAV per Share in the event of significant net capital outflows.

Suspensions of the calculation of Net Asset Value, subscriptions, redemptions and conversions:

Without prejudice to legal reasons, the SICAV may suspend calculation of the NAV of the Shares and the issue, redemption and conversion of its Shares, either generally or in relation to one or more Sub-Funds only, if the following circumstances occur:

- where one or more stock exchanges or markets on which the valuation of a major part of the SICAV’s assets is based or one or more currency markets in currencies in which the NAV of the Shares or a major part of the SICAV’s assets is denominated are closed on days other than normal holidays, or where trading is suspended or placed under restrictions or temporarily subject to major fluctuations;
- where the political, economic, military, monetary or corporate climate, or striking, or any case of force majeure beyond the responsibility or control of the SICAV makes it impossible to dispose of its assets in a reasonable and normal way that is not seriously prejudicial to the interests of the Shareholders;
- In the event of a breakdown in the means of communication normally used to determine the price of any SICAV asset or where the value of any SICAV asset cannot be promptly and accurately ascertained, for whatever reason;
- where exchange-rate or capital-movement restrictions prevent the SICAV from carrying out transactions or where buying or selling operations affecting SICAV assets cannot be realised at normal exchange rates;
- upon the occurrence of an event leading to the liquidation of the SICAV;
- in the event of merger, if applicable, of one Sub-Fund with another or another UCITS (or Sub-Fund thereof) provided that such suspension is justified by the need to protect Shareholders; and/or
- when a Sub-Fund is a Feeder Fund of a Master Fund, if calculation of the net asset value of this Master Fund is suspended.

The SICAV will inform Shareholders wishing to subscribe, redeem or convert Shares in the Sub-Funds affected that calculation of the NAV has been suspended; they may cancel their order. Other Shareholders shall be informed through a notice in the press where required by the applicable laws and regulations. This suspension will have no effect on calculation of the NAV or the issue, redemption or conversion of shares of unaffected Sub-Funds.

XVII. TAX TREATMENT OF THE SICAV AND OF SHAREHOLDERS

General Information

• Applicable legislation

The SICAV is subject to Luxembourg tax legislation.

It is the responsibility of parties acquiring Shares in the MANDARINE FUNDS SICAV to find out, themselves or through their tax advisers, about the legislation and rules applicable to the acquisition, holding and possible sale of shares with regard to their residency or nationality.

• Uncertain tax positions

Potential investors should be aware that tax laws and regulations are constantly changing and that any modification to them may come into retroactive effect. Furthermore, the interpretation and application of tax laws and regulations by certain competent authorities may lack consistency and transparency. Given the uncertainty relating to the potential tax burden to be borne by each Sub-Fund, including any actual or latent added value, as well as any charge arising from investments made by the Portfolios whose value is taken into account over a basis (excl. tax) to be paid, the NAV of the portfolios established for any valuation day may not precisely reflect this charge (including charges applicable retroactively).

Taxation of the SICAV

Under Luxembourg tax laws, the SICAV is not subject to Luxembourg tax on its income, profits or capital gains.

The SICAV is not subject to Luxembourg wealth tax.

No capital duty, stamp duty or tax is due in Luxembourg when the Shares of the SICAV are issued, except for a fixed registration fee of EUR 75 payable when the articles of association of the SICAV are established or amended.

However, the SICAV is subject to a subscription tax at an annual rate of 0.05% per annum, in principle, calculated and payable quarterly based on the net assets of the SICAV (or of each Sub-Fund in respect of each relevant Class) on the last day of each quarter. Nevertheless, a reduced annual rate of 0.01% is applicable to Sub-Funds or C classes reserved for one or more institutional investors. The net assets invested in UCIs that are already subject to the subscription tax described in Article 174 of the Law of 2010 are exempt from subscription tax. Section 175 of the Law of 2010 provides several other options for exemption from the subscription tax.

Interest and dividend income received by the SICAV may be subject to a withholding tax (the rate of which may vary) which cannot be recovered in the country of origin. The SICAV may also be subject to tax on realised and unrealised capital gains on its assets in their country of origin. The SICAV may benefit, in certain circumstances, from double taxation agreements between Luxembourg and other countries, which may provide for an exemption from withholding tax or a reduction of the withholding tax rate.

Distributions made by the SICAV are not subject to withholding tax in Luxembourg.

Finally, the SICAV may also be subject to indirect taxes on its operations and on the services for which it is billed, due to the different legislation in force.

Taxation of Shareholders

Under the legislation in force, Shareholders are not subject to any capital gains tax, income tax, withholding tax, gift tax, inheritance tax or any inheritance rate or other tax in Luxembourg (with the exception of domiciled or resident Shareholders or Shareholders with a permanent establishment in Luxembourg).

Automatic Exchange of Information

The Organization for Economic Cooperation and Development ("OECD") has developed a common reporting standard ("CRS") for full and multilateral worldwide Automatic Exchange of Information (AEOI). In this context, on 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU on the automatic and mandatory exchange of information in the field of taxation (the "CRS-Euro Directive") was adopted to implement CRS in Member States.

The CRS-Euro Directive was transposed into Luxembourg law by the Law of 18 December 2015 on the automatic exchange of information relating to financial accounts in tax matters (the "CRS Law"). The CRS Law requires Luxembourg financial institutions to identify the holders of financial assets and determine whether or not they are tax residents of countries with which Luxembourg has a tax-sharing agreement. Luxembourg financial institutions will then communicate the information on the financial accounts of the asset holders to the Luxembourg tax authorities, which will then automatically forward the information to the foreign tax authorities on an annual basis.

The SICAV is a Luxembourg financial institution within the meaning of the CRS Law. Accordingly, the SICAV generally requires its investors to provide information related to the identity and tax residence of the financial account holders (including certain controlling entities and persons) in order to determine their CRS status and to disclose information about a Shareholder and their accounts to the Luxembourg tax authorities (Administration des Contributions Directes), if such an account is considered a CRS reportable account under the CRS Law.

The SICAV shall provide the investor with all information stipulating that (i) the SICAV is responsible for the processing of personal data covered by the CRS Law; (ii) personal data will only be used for the purposes of the CRS Law; (iii) personal data may be forwarded to the Luxembourg tax authorities (Administration des Contributions Directes); (iv) responding to CRS-related questions is obligatory, with an indication of the possible consequences of not responding; and (v) the investor has the right to access the data forwarded to the Luxembourg tax authorities (Administration des Contributions Directes) and to have it corrected.

Under the CRS Law, the first exchange of information will take place on 30 September 2017 as information for the 2016 calendar year. In accordance with the CRS-Euro Directive, the first AEOI will take place on 30 September 2017 for the tax authorities of the Member States for data for the 2016 calendar year. In Austria, the CRS-Euro Directive will be applied for the first time on 30 September 2018 for the 2017 calendar year, i.e. the Savings Directive will remain in force for one additional year.

Furthermore, Luxembourg has signed the OECD Multilateral Competent Authority Agreement ("**Multilateral Agreement**") in order to automatically exchange information covered by the CRS. The purpose of the Multilateral Agreement is to implement CRS in non-EU states. It requires the signing of agreements with each country.

The SICAV reserves the right to refuse any Share subscription application if the information provided (or not) fails to meet the requirements of the CRS Law. Investors who do not comply with the SICAV's requests for information may be subject to the taxes and penalties imposed on the SICAV as a result of this failure to provide complete and accurate information.

Investors should consult their professional advisers to find out about any fiscal or other consequences, if any, related to the transposition and application of the CRS.

FATCA

The Foreign Account Tax Compliance Act ("**FATCA**"), an integral part of the 2010 US employment law (Hiring Incentives to Restore Employment Act), was enacted in the United States in 2010.

It requires financial institutions outside the United States ("**foreign financial institutions**" or "**FFI**") to forward information relating to "Financial Accounts" held, directly or indirectly, by "Specified US Persons" to the US Internal Revenue Service ("**IRS**") every year.

A 30% withholding tax is levied on certain FFI revenues of US source that do not meet this requirement.

On 28 March 2014, the Grand Duchy of Luxembourg signed a Model 1 Intergovernmental Agreement ("**IGA**") with the United States of America and a related Memorandum of Understanding. The SICAV is classified as a "Luxembourg Financial Institution" within the meaning of the Luxembourg IGA. It must therefore respect the Luxembourg IGA, as transposed into Luxembourg law by the Law of 24 July 2015 on FATCA (the "FATCA Law"), in order to comply with the FATCA provisions instead of directly complying with the US

Treasury regulations applying FATCA.

Pursuant to the FATCA Law and the Luxembourg IGA, the SICAV may be required to collect information with a view to identifying its direct and indirect Shareholders who are US Persons identified for FATCA purposes ("**FATCA Reportable Accounts**"). All information on FATCA Reportable Accounts provided to the Fund will be forwarded to the Luxembourg tax authorities, which will automatically forward them to the Government of the United States of America, under Article 28 of the Agreement between the Government of the United States of America and the Government of the Grand Duchy of Luxembourg for the avoidance of double taxation and the prevention of tax evasion in respect of income and capital gains taxes, signed in Luxembourg on 3 April 1996.

The SICAV intends to comply with the provisions of the FATCA Law and the Luxembourg IGA in order to be considered compliant with FATCA and will therefore not be subject to the withholding tax of 30% due to its interest in such payments attributable to actual or deemed US investments of the SICAV. The SICAV is registered with the IRS and has received a GIIN (**Global Intermediary Identification Number**). The SICAV will continually evaluate the extent of the measures to which it is subject under FATCA and in particular the FATCA Law.

In order to ensure the SICAV's compliance with FATCA, the FATCA Law and the Luxembourg IGA, the SICAV may, in particular:

- request information or documents, including tax self-certifications, US IRS W-8 or W-9 tax forms, a Global Intermediary Identification Number, if applicable, or other valid proof of Shareholder registration for the purposes of FATCA with the IRS or a corresponding exemption, to determine their FATCA status;
- communicate information concerning a Shareholder (and Persons controlling Shareholders that are Non-Financial passive foreign Entities) and its participation in the SICAV to the Luxembourg Tax Authorities if such participation is considered to be a FATCA Reportable Account under the FATCA Law and the Luxembourg IGA;
- deduct any US withholding tax applicable to certain payments, such as "Passthru Payment" type deductions at source, if any, paid to the Shareholder by or on behalf of the SICAV pursuant to FATCA, the FATCA Law and the Luxembourg IGA;
- disclose such personal information to any immediate paying agent of certain income from a US source, which may be required for withholding tax and the reports to be submitted in connection with the payment of such income.

Any data obtained by the SICAV shall be processed in accordance with the Law of 2018 as amended. The SICAV shall provide the investor with all information stipulating that (i) the SICAV is responsible for the processing of personal data covered by the FATCA Law; (ii) personal data will only be used for the purposes of the FATCA Law; (iii) personal data may be forwarded to the Luxembourg tax authorities (Administration des Contributions Directes); (iv) responding to CRS-related questions is obligatory, with an indication of the possible consequences in the event of absence of response; and (v) the investor has the right to access the data forwarded to the Luxembourg tax authorities (Administration des Contributions Directes) and to have it corrected.

The SICAV reserves the right to refuse any Share subscription application if the information provided by a potential investor fails to meet the requirements of FATCA, the FATCA Law and the IGA.

Specific risks arising from the publication of tax requirements in Germany and Austria Certain classes of hare in the Sub-Fund are specifically aimed at investors residing in the German Federal Republic or the Republic of Austria for tax purposes.

Within this framework, the SICAV must provide documentation to the German and Austrian tax authorities upon request so that these authorities, among others, can verify the accuracy of the published tax information. The basis on which these figures are calculated is subject to interpretation and it cannot therefore be guaranteed that these authorities will accept or will be in agreement with the calculation method used by the Sub-Fund. Furthermore, Shareholders subject to German or Austrian taxation should be aware that if the tax authorities are not in agreement with the Sub-Fund's calculation method and determine that the published tax information is incorrect, that a subsequent correction, as a general rule, shall not have a retrospective effect and shall not enter into effect during the course of the current financial year. Consequently, the correction can affect German or Austrian investors who receive a distribution or an allocation of the estimated income distribution during the current year, in either a positive or a negative way.

The SICAV advises potential Shareholders to inform themselves and, if necessary, seek professional advice on the laws and regulations relating to the subscription, purchase, holding, redemption and sale of Shares in their country of origin, residence or domicile.

Potential Shareholders should inform themselves and, if appropriate, seek advice on legislation and regulations (including taxation and exchange controls) applicable in respect of the subscription, redemption, holding or sale of Shares in their country of origin, residence and/or domicile.

Taxation of the Feeder Funds:

The investment of a Sub-Fund having the status of a Feeder Fund in a Master Fund does not have a specific tax impact in Luxembourg.

XVIII. FINANCIAL REPORTS

The financial year starts on 1 January and ends on 31 December of each year.

The SICAV shall publish an annual report audited by Deloitte Audit (the “**Statutory Auditor**”) at the end of every financial year as well as an unaudited interim report at the end of every half-year, on 30 June.

These financial reports may include, among other things, separate financial statements drawn up for each Sub-Fund. The consolidation currency is the euro.

XIX. DISSOLUTION – LIQUIDATION – CLOSURE- MERGER

Dissolution and liquidation of the SICAV

Liquidation of the SICAV shall take place in accordance with the provisions and conditions provided for by the legislation in force in the Grand Duchy of Luxembourg and in the SICAV's articles of association.

Minimum capital

In the event that the share capital of the SICAV amounts to less than two thirds of the minimum capital, the directors must submit a proposal to dissolve the SICAV to the General Meeting of the SICAV (the “**General Meeting**”), which shall deliberate without any attendance conditions and shall pass resolutions by a simple majority of the Shares represented at the General Meeting.

If the share capital of the SICAV falls below one quarter of the minimum capital, the directors must refer the matter of dissolution of the SICAV to the General Meeting of Shareholders deliberating without attendance conditions. The dissolution may be declared by Shareholders holding one quarter of the Shares represented at the General Meeting.

The General Meeting must be convened so as to ensure that it is held within forty days of finding that the net assets have fallen, respectively, below two-thirds or one quarter of the minimum capital.

The decisions of the General Meeting, or of a court, ordering the dissolution and liquidation of the SICAV published in Mémorial and in two newspapers of sufficient circulation, at least one of which must be a Luxembourg newspaper. These publications are made at the behest of the liquidator(s).

Voluntary liquidation

In the event of dissolution of the SICAV, it shall be liquidated by one or more liquidators appointed in accordance with the Law of 2010 and in accordance with the SICAV's Articles of Association. The net proceeds of the liquidation of each Sub-Fund will be distributed to the Shareholders of the respective Share Class, pro rata to the number of Shares they hold in this Class. Amounts not claimed by the Shareholders at the close of the liquidation will be deposited with the Caisse des Consignations in Luxembourg. Unless claimed before the expiry of the legal prescription period, the amounts deposited may not be withdrawn.

The possibilities of issue, redemption and conversion of the SICAV's Shares shall cease as soon as the decision to dissolve the SICAV has been taken.

Closure and merger of Sub-Funds or Share classes

Closure of a Sub-Fund or Share Class

The Board of Directors may decide on the closure of one or more Sub-Funds or Share Classes if the Board of Directors feels that major changes in the political or economic situation render it necessary, or if the net assets of this or these Sub-Funds or Share Classes are deemed to be insufficient to ensure the optimal management of this or these Sub-Funds or Share Classes.

The decision to liquidate the Sub-Fund or close the relevant Share Class will be communicated or published to the relevant Shareholders before the liquidation/closure and this communication or publication will indicate the reasons for the liquidation/closure and procedures put in place.

Unless the Board of Directors decides otherwise in the interests of the Shareholders or to maintain equal treatment of Shareholders of the relevant Sub-Fund, the SICAV may, pending the enforcement of the decision to liquidate, continue to accept applications for redemption of Shares of the Sub-Fund whose liquidation has been decided.

The net assets of the relevant Sub-Fund or those attributable to a Share Class shall be divided among the remaining Shareholders of the Sub-Fund or Class concerned. Amounts that have not been claimed by Shareholders or beneficiaries during closure of the liquidation of the Sub-Fund(s) will be deposited with the Caisse des Consignations in Luxembourg.

Merger of Sub-Funds or Share Classes

The Board of Directors may decide, in the interests of the Shareholders, to merge the assets of Sub-Fund or Share Class with the assets of another Sub-Fund or another Class within the SICAV. These mergers may be carried out for a range of economic reasons justifying the completion of these Sub-Fund or Share Class merger operations.

All Shareholders of the Sub-Fund or Share Class concerned will be notified no later than one month before the effective date of the merger. This notification will also indicate the characteristics of the new Sub-Fund or new Share Class. Shareholders in Sub-Funds or Share Classes destined for a merger shall be able, for at least thirty (30) days before the deadline for requesting redemption or conversion of their Shares, to request redemption or conversion of their shares at no charge (other than the cost of disinvestment). Beyond this deadline, the decision will apply to all Shareholders who have not taken the opportunity of this release without charge.

In circumstances similar to those described in the preceding paragraph and in the interest of Shareholders, the merger of the assets and liabilities attributable to a Sub-Fund or Share Class with another UCITS or sub-fund or Share Class in this other UCITS (whether established in Luxembourg or in another Member-State, whether constituted as a corporation or a contractual fund), may be decided by the Board of Directors, in compliance with the provisions of the Law of 2010. The SICAV will send notification to the Shareholders of the Sub-Fund concerned in accordance with Regulation No 10-5 of the CSSF. Each Shareholder of the Sub-Fund or Share Class concerned shall have at least thirty (30) days, before the deadline for requesting reimbursement or conversion of Shares, to request reimbursement or conversion of their Shares, at no cost other than disinvestment costs.

In the case of a merger procedure to a different collective investment undertaking (in the form of a contractual fund or a foreign fund), the merger will be binding only on Shareholders of the Sub-Fund or Share Class concerned who have expressly given their assent to the merger. Otherwise, the Shares held by other Shareholders that have not clarified their position regarding said merger shall be redeemed without charge. These mergers can be carried out in various economic circumstances justifying a merger of sub-funds.

In the case of a merger of a Sub-Fund or Share Class that results in the termination of the SICAV, the merger must be decided at a meeting of Shareholders of the Sub-Fund or Share Class concerned; this meeting may deliberate without any quorum by a simple majority of votes cast.

XX. SHAREHOLDER INFORMATION

Details of the NAV, the issue price and the redemption and conversion price of each Share Class can be obtained every banking business day in Luxembourg from the SICAV's registered office.

Amendments to the SICAV's Articles of Association will be published in the Luxembourg Mémorial, Recueil des Sociétés et Associations.

Notices and information for Shareholders will be published in the Luxembourg Memorial, Recueil des Sociétés et Associations à Luxembourg, if required by Luxembourg law. These notices and information may also be published in Luxembourg newspapers, where appropriate.

The following documents are available to the public:

- the Prospectus and the articles of association of the SICAV;
- the Key Investor Information Document (KIID) for Shares in the SICAV's Sub-Funds;
- the SICAV financial reports.

A copy of the agreements concluded with the Management Company, the Custodian Bank, the Central Administration, the Managers, Sub-Managers and Investment Advisers and Sub-Advisers of the SICAV may be obtained free of charge from the registered office of the SICAV.

The Management Company wishes to alert investors to the fact that any investor may only fully exercise their rights as investor directly with the UCITS - including the right to take part in General Meetings of Shareholders- if the investor itself is listed by name in the registry of UCITS Shareholders. In the event that an investor invests in the UCITS by way of an intermediary investing in the UCITS investing in their own name but on behalf of the investor, certain rights attached to the status of Shareholder may not necessarily be exercised by the investor directly with the UCITS. Investors are recommended to seek advice regarding their rights.

XXI. TAKING ACCOUNT OF ESG CRITERIA

Extra-financial approach

The investment policy of certain Sub-Funds of the SICAV may take account of extra-financial Environmental, Social and Governance ("ESG") criteria, which generally represent the three priorities of **extra-financial analysis**.

The extra-financial rating focuses on non-economic criteria for rating companies' environmental or social behaviour.

The ESG criteria are intended to evaluate and measure the exercise of corporate environmental responsibility by companies and their stakeholders (employees, partners, subcontractors and customers).

The Environmental criterion: takes account, among other things, of the way in which waste management is treated, the reduction of greenhouse gas emissions and the prevention of environmental risks, etc.

The Social criterion: studies the aspects relating to the prevention of accidents at work, training, respect for employees' rights, social dialogue, the supply chain and social dialogue, etc.

The Governance criterion: ensures the independence of governance and management bodies, such as board membership, management structure, transparency of remuneration and presence of an audit committee, etc.

The data sheets of the Sub-Funds in question describe the ESG asset selection method more specifically.

Extra-financial analysis

The selection process for ESG securities is therefore based on the collection of extra-financial information about the securities in the Sub-Fund's investment universe. In order to enable this ESG integration, ESG analysis is based on the collection, cross-referencing and appropriation of qualitative and quantitative extra-financial information from multiple sources to allow for original hedging:

- the Extra-Financial Performance Report (EFPR) published by the companies in question;
- meetings with issuers, management and stakeholders (*NGOs, unions, study reports, etc.*);
- the reports and analyses of brokers and extra-financial rating agencies.

Extra-financial approaches

Best in Universe:

The **Best in Universe** approach is a type of **ESG selection** that prioritises, within the investment universe, the best-rated issuers from an **extra-financial** perspective, regardless of their **activity sector**. This approach can lead to sectoral bias.

Best in Universe Methodology

The extra-financial analysis results in a 5-step ESG score of issuers from A (best score) to E (worst score). The Sub-Fund's investment universe excludes issuers with the worst ESG score ("E" score), which thus makes it possible to establish a list of securities in which the Manager may invest.

Best in Class

The **Best in Class** approach is a type of **ESG selection that** ranks companies in a single activity sector in order to select companies with ESG best practices in their industry, without excluding any sector *a priori*. The goal of the Best in Class approach is to assess the ability of companies to address sectoral challenges of long-term sustainability and to encourage and value the "best pupils" in each industry. The foundations of this approach are based on the finding that introducing a sectoral bias within a portfolio is not desirable since all activity sectors contribute to the development of the economy despite the controversies attributed to certain sectors. This approach aims to improve corporate behaviour and progression in ethical, social, environmental, governance, etc. terms.

Best in Class Methodology

The extra-financial analysis results in a 5-step ESG score of issues within each of the activity sectors from A (best score) to E (worst score). The Sub-Fund's investment universe excludes issuers with the worst ESG score ("E" score), which thus makes it possible to establish a list of securities in which the Manager may invest.

The use of this ESG selection process results in a 20% reduction in the ESG investable universe.

Extra-financial scores may go up or down over time. They are reviewed at most every 12 months. They may lead to investment or divestment decisions.

Systematic exclusions

Companies involved in the production or distribution of anti-personnel mines and cluster munitions prohibited by the Ottawa and Oslo Conventions are also excluded.

Labelling

The ESG Sub-Funds will also be eligible for SRI labelling by an independent or certification body.

The SRI label in France

The "SRI Label" was created and is supported in France by the Ministry of Economy and Finance. The SRI Label is awarded by a certification body that audits the Sub-Fund. The purpose of this audit is to determine whether or not the applicant fund meets the **labelling criteria** as detailed in Annex II(II) of the Order of 8 January 2016.

These criteria are grouped around six themes:

- the general objectives (financial and ESG) sought by the fund. The aim is to check that these objectives are precisely defined and described to investors and that they are taken into account in the definition of the fund investment policy;
- the ESG criteria analysis and rating methodology implemented by the companies in which the fund invests;
- consideration of ESG criteria in the construction and life of the portfolio;
- the ESG commitment policy with the companies in which the fund invests (voting and dialogue);
- the transparency of the management of the fund;
- measurement of the positive impacts of ESG management on the development of a sustainable economy.

The SRI Label requires that the portion of ESG-rated issuers in the Fund's portfolio (*excluding public debt and cash*) be sustainably above 90% in the long term. The Sub-Fund may invest up to a maximum of 10% in assets that have not undergone an ESG analysis.

Labelling in other countries of the European Union.

The Board of Directors of the SICAV may initiate ESG / SRI certification procedures with all competent authorities.

Specific information on the ESG approach of the Sub-Funds and the Management Company.

Information relating to consideration of environmental, social and governance quality criteria (ESG) in the investment policy is available on the website of the Management Company www.mandarine-gestion.com and will be included in the annual report, as of the report for the financial year beginning 1 January, 2019.

XXII. INFORMATION ON THE USE OF BENCHMARKS

In accordance with Article 52 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (hereafter the “**Benchmark Regulation**” or “**BMR**”) and amending Directives 2008/45/EU and 2014/17/EU and Regulation (EU) No 596/2014, as the SICAV may refer to benchmark indices under the BMR regulation, it is considered a “User” of benchmark indices:

to ensure that the benchmark indices it uses within the European Union are supplied by administrators that are legally authorised or registered with the European Union as benchmark index Administrators, including the Administrator (Article 29); or to ensure that those originating from third countries respect the principle of equivalence and the regulatory requirements (Article 30-33);

to establish a suitable monitoring procedure for benchmark indices allowing it to substitute a new index in the event that one or more of the benchmark indices, including that of the index provided by the Administrator, that it uses should be substantially modified or cease to be published (Article 28).

The Administrators of the indices established in the European Union have a deadline of up to 1 January 2020 to request approval or registration with the European Securities and Markets Authority (*hereafter “ESMA”*). Consequently, the affected Index Administrators may not yet appear in the ESMA register.

The table below indicates, for each index and the date of the last update of the Prospectus as indicated on page 1, the status of its Administrator under Article 34 of the Benchmark Regulation.

Sub-Fund	Benchmark indicator	Director	Status under the Benchmark Regulation*
Mandarine Unique	STOXX® Europe Small 200 (EUR) Net Return	STOXX	NO
Mandarine Multi-Assets	Capitalised EONIA + 300bps	EMMI	NO
Mandarine Europe Microcap	MSCI ® Europe Micro Cap – Net Returns	MSCI ® Limited	YES
Mandarine Global Microcap	MSCI ® World Micro Cap – Net Returns	MSCI ® Limited	YES
Mandarine Active	EURO STOXX® Net Return EUR	STOXX	NO
Mandarine Optimal Value	EURO STOXX® Large (Net Return) EUR	STOXX	NO

*Yes: Approved or registered administrator in accordance with Article 34

No: Administrator not entered in the ESMA index administrator register

The details of the indices can be found in the data sheets of the relevant Sub-Funds.

For information, please go to the ESMA website and view “**Benchmark Administrators**” (https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_bench_entities) for, first, the list of “EU & EEA benchmarks administrators”, in other words and more specifically the list of administrators located in the European Union who have been authorised or registered (in accordance with Article 34), the administrators fulfilling the conditions set out in Article 30(1) of the same regulation and, secondly, the list of “third country benchmarks”, in other words the list of administrators located outside the European Union (Article 30(1) (c)).

In accordance with Article 28.2 of the BMR Regulation, the Management Company has a monitoring procedure for the benchmark indices used describing the measures to implement in the case of substantial modifications made to an index or in the event that this index is no longer available.

XXIII. SUBSCRIPTIONS AND CONVERSION RESTRICTIONS

In order to protect, among other things, existing Shareholders in the SICAV and to enable continuation of the investment strategy of the Sub-Fund as described in its data sheet, the Board of Directors may at any time decide to close a Sub-Fund or a Share Class of any Sub-Fund of the SICAV, or to refuse any new subscriptions or conversions of (i) investors who have not yet invested in the Sub-Fund or in the Share Class of any of the Sub-Funds or (ii) any of the funds; any investor.

Decisions made by the Board of Directors to close a Sub-Fund or any of the Share Classes of any of the Sub-Funds may have immediate or non-immediate effect and may be valid for a definite or indefinite period. Any Sub-Fund or Share Class in any of the Sub-Funds may be closed to subscriptions and conversions without shareholders being notified. Notification will nevertheless be posted on the website of the Management Company (www.mandarine-gestion.com) and, if applicable, on other websites or other media, and will be updated according to the status of said Share Classes or Sub-Funds. In fact, the closed Sub-Fund or Share Class(es) may be reopened if the Board of Directors considers that the reasons for which a decision to close was taken no longer apply. The closure of a Sub-Fund or Share Class in any of the Sub-Funds could be decided, without limitation, when the size of a Sub-Fund reaches a level of assets under management such that the market in which it is invested also appears to have reached its capacity level, thus affecting the ability to manage it in line with its objectives and the investment policy defined in its data sheet.

XXIV. ANNEX 1 - SUB-FUND DATA SHEETS

MANDARINE UNIQUE SMALL & MID CAPS EUROPE

Sub-Fund of **Mandarine Funds**,
a variable capital investment company (hereinafter referred to as the "SICAV") under Luxembourg law

OVERVIEW OF THE SICAV

Date of incorporation	03 March 2010
Country of registration	Luxembourg
Legal form	SICAV with multiple sub-funds
Duration	Unlimited
Management Company	MANDARINE GESTION SA
Custodian	BNP Paribas Securities Services, Luxembourg Branch
Central administration	BNP Paribas Securities Services, Luxembourg Branch
Statutory Auditor	DELOITTE AUDIT
Supervisory authority	COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER, Luxembourg

OVERVIEW OF THE SUB-FUND

ISIN code	Class Z shares: LU0489687169 Class R shares (d): LU1303937301 F Shares: LU1303937483 F shares (d): LU1303937640 Class R shares: LU0489687243 Class R shares (USD): LU1545812510 Class R shares (USDH): LU0980140122 Class I shares: LU0489687326 Class I shares (USD): LU1545812601 Class I shares (USDH): LU0980141526 Class S shares: LU0598593316 Class G shares: LU0489687599 Class M shares: LU0489687755 Class R shares (CHF): LU1673109150 Class I shares (CHF): LU1673109234 Class F shares (CHF): LU1673109317 Class B1 shares (GBP): LU1133336856 Class B2 shares (GBPH): LU1133336930 Class B3 shares (GBP): LU1133337151 Class B4 shares (GBPH): LU1133337235 Class L shares: LU1133337318 L shares (d): LU1303937723 L Share (GBPd): LU1303937996 L share (GBP): LU1303938028 Class MG shares: LU1303938291
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Listing on Luxembourg stock exchange

The Shares may be listed on the Luxembourg Stock Exchange if so decided by the Board of Directors of the SICAV.

INVESTMENT POLICY**Investment objective**

The aim of the Mandarine Unique Sub-Fund (the "**Sub-Fund**") is to provide investors with long-term capital growth arising from a diversified portfolio whose transferable securities are actively managed and to achieve a performance higher than that of the benchmark index STOXX® Europe Small 200 (EUR) Net Return (the "**Index**").

Reference index (Benchmark)

STOXX® Europe Small 200 (EUR) Net Return

Identifiers:

- ISIN: CH0009108033
- Bloomberg Ticker: SCXR Index

This Index is one of the benchmarks for medium and small capitalisation issuers on European markets.

The Index is denominated in euros. The performance of the Index is expressed as reinvested dividends.

For further information on the characteristics and composition of this Index, please consult the website of the Index Producer (www.stoxx.com).

However, the Sub-Fund's objective is not to reproduce the performance of this index in any manner. It makes its investments based on criteria that could result in significant variations compared to the performance and composition of this Index. Investments in companies are made on the basis of weightings that are not based on the relative weighting of each company in the Index.

Investment policy of the Sub-Fund

The Sub-Fund shall invest at least 75% of its net assets in shares of companies which have their registered offices located within the EEA.

Within this framework, the Sub-Fund shall invest:

- predominantly in *small and mid caps*;
- within a limit of 15% of its total assets, in shares of companies qualifying as *large caps*.

The Sub-Fund will also be authorised to invest up to 25% of its net assets in money market instruments or debt securities (including eligible securities pursuant to Article 41 of the Law of 2010, such as tradable debt securities and Euro Medium Term Notes ("EMTN")) and all other types of eligible bonds or money market securities.

Furthermore, the Sub-Fund may also invest up to 10% of its net assets in UCIs in order to invest its liquid assets.

Use of derivatives

Within the limits set out in the prospectus, the Sub-Fund may use financial markets techniques and instruments for the purposes of the proper management of the portfolio or for hedging, within the limits set out by the investment restrictions.

The use of derivatives is limited to 100% of the Sub-Fund's net assets.

Financial guarantees (or collateral) and discount policy

The Sub-Fund will not receive securities as collateral, but will only receive cash collateral in euros to reduce counterparty risk in the context of effective portfolio management techniques.

Type of collateral	Currency	Valuation level
Cash	EUR	100%

The cash received as collateral will only be reinvested in money market funds (as defined in the ESMA opinion dated 22 August 2014 (ESMA/2014/1103) on the review of the "CESR Guidelines on a Common Definition of European Money Market Funds (CESR/10-049)").

Reference currency

EUR

Risk profile of the Sub-Fund

Investors are alerted to the fact that investing in this Sub-Fund presents specific risks inherent to the various asset classes in which the Sub-Fund may invest or to which it may be exposed, and it shall be the responsibility of the investors to review the risks as more fully detailed in the Prospectus:

- Equities risk
- Liquidity risk, in particular related to holding small and mid-cap companies;
- Risk arising from discretionary management style;
- Risk of capital loss;
- Counterparty risk;

Risk management method

Commitment approach.

Investor profile

Investment horizon: > 5 years

This Sub-Fund is an investment vehicle intended for investors who:

- are interested in the financial markets;
- wish to invest in small and mid cap companies in the EEA; and
- are willing to accept the strong fluctuations in rates and who therefore present low risk aversion.

SHARES AVAILABLE - SUBSCRIPTION AMOUNT

Classes	Minimum value of initial subscription *	Minimum value of subsequent subscriptions
Z shares**	EUR 50	None
R, R (USD), R (USDH), R(d), F, F(d), R(CHFH) and F(CHFH) Shares	EUR/USD/CHF 50	None
I, I (USD), I (USDH) and I (CHFH) Shares	EUR/USD/CHF 500,000	None
G shares	EUR 500,000	None
S shares***	EUR 250,000	None

Classes	Minimum value of initial subscription *	Minimum value of subsequent subscriptions
M shares	EUR 20,000,000	None
L shares	EUR 20,000,000	None
L shares (d)	EUR 20,000,000	None
L Shares (GBPd)	GBP 15,000,000	None
L shares (GBP)	GBP 15,000,000	None
B1 share (GBP)	GBP 15,000,000	None
B2 share (GBPH)	GBP 15,000,000	None
B3 shares (GBP)	GBP 1,000	None
B4 shares (GBPH)	GBP 1,000	None
MG shares****	EUR 1,000	None

* except for the Management Company, which may only take out one unit.

** individuals subscribing to the SICAV.

*** institutional investors governed by German law: legal persons directly or indirectly subject to German legal and tax rules, especially those relating to the provisions of § 5 Investmentsteuergesetz and also institutional investors governed by Austrian law.

**** Class reserved for institutional investors such as those defined by the lines of conduct and recommendations issued periodically by the Luxembourg supervisory authority, mainly Spanish and Italian. S class investors shall, upon request from the SICAV, undertake to provide proof of their eligibility and especially of their capacity as an institutional investor.

***** Class reserved for Mandarine Gestion and entities of its group.

For I (USDH), R (USDH), B2 (GBPH), B4 (GBPH), R (CHF), F (CHF) and I (CHF) Shares, currency hedging is implemented, aimed at limiting the impact of changes in the EUR/USD, EUR/GBP and EUR/CHF exchange rate on performance and to hedge against the USD/EUR, GBP/EUR and CHF/EUR exchange rate risk as far as possible. For Classes denominated in currencies other than the euro, subscribers are alerted to the fact that there may be a residual exchange rate risk. Hedging can generate a performance discrepancy between Classes in different currencies.

For F, F (d) and F (CHF) Shares: shares reserved for all investors and, in the context of subscription or distribution within the European Union, that are intended solely for:

Financial intermediaries who are not authorised, in virtue of the regulations applicable to them, to receive and/or hold on to any commissions or non-monetary benefits; or

Subscribers subscribing to portfolio management services on behalf of third parties (management by mandate) and/or independently provided investment consulting within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, within the European Union (the MIF2 Directive);

Distributors subscribing in the context of investment advice not considered to be independent within the meaning of Directive MIF2 on the basis of a contract with their customer, and/or where such a distributor neither receives nor holds on to any commission or other non-monetary benefit under Directive MIF2.

FEES PAYABLE BY THE SUBSCRIBER

The Distributor or the authorised distribution intermediaries may take the following maximum fees on Shares from the Sub-Fund:

	Subscription fee	Redemption fee	Conversion fee
All Shares	2% max	-	1% max

FEES AND COSTS CHARGED TO THE SUB-FUND

	Management fees*	Outperformance fee <i>Performance fee</i>	Custodian bank fees**	Services fee***
Z shares	2.20% max	15% of the outperformance above the STOXX® Europe Small 200 (EUR) Net Return	0.10% max	0.50% max
R shares	2.20% max		0.10% max	0.50% max
R shares (USD)	2.20% max		0.10% max	0.50% max
R shares (USDH)	2.20% max		0.10% max	0.50% max
R shares (CHF)	2.20% max		0.10% max	0.50% max
R shares (d)	2.20% max		0.10% max	0.50% max
F shares	1.10% max		0.10% max	0.50% max
F shares (CHF)	1.10% max		0.10% max	0.50% max
F shares (d)	1.10% max		0.10% max	0.50% max
I shares	0.90% max		0.10% max	0.50% max
I shares (USD)	0.90% max		0.10% max	0.50% max
I shares (USDH)	0.90% max		0.10% max	0.50% max
I shares (CHF)	0.90% max		0.10% max	0.50% max
G shares	0.90% max		0.10% max	0.50% max
S shares	1.40% max		0.10% max	0.50% max
M shares	0.60% max		0.10% max	0.50% max
B1 shares (GBP)	0.60% max		0.10% max	0.25% max
B2 shares (GBPH)	0.60% max		0.10% max	0.25% max
B3 shares (GBP)	0.95% max	N/A	0.10% max	0.25% max
B4 shares (GBPH)	0.95% max	N/A	0.10% max	0.25% max
L shares	0.75% max	N/A	0.10% max	0.50% max
L shares (d)	0.75% max	N/A	0.10% max	0.50% max
L shares (GBP)	0.75% max	N/A	0.10% max	0.25% max
L Shares (GBPd)	0.75% max	N/A	0.10% max	0.25% max
MG shares	0.90% max	N/A	0.10% max	0.50% max

Outperformance fee: The calculation period for the outperformance fee shall be the Sub-Fund's financial year. However, the first calculation period shall begin on the date the first NAV is calculated and shall end on the last day of the current financial year. Each time the NAV is determined, the outperformance of the Sub-Fund (the “**Outperformance**”) shall be defined as the positive difference between the valuation of the Sub-Fund prior to consideration of any provision for the outperformance fee and the valuation of a notional UCI achieving the performance of the benchmark and using the same set of subscriptions and purchases as the Sub-Fund.

The benchmark used for this calculation will be the STOXX® Europe Small 200 (EUR) Net Return index. For share classes denominated in currencies other than the euro and not subject to currency hedging, the performance of the benchmark will be taken in the denomination currency of the class.

Every time the NAV is established, the outperformance fee, defined as 15% (including taxes) of the out performance, is subject to a provision or a recovery of provisions within the limits of the existing appropriation.

Such a provision may only be booked on condition that the NAV, after taking into account a provision (in full or in part) for the outperformance fee, is greater than the Sub-Fund's NAV at the beginning of the financial year. In the event of redemptions, the share of the outperformance fee corresponding to the redeemed Shares is collected by the Management Company. Excluding redemptions, the outperformance fee shall be collected by the Management Company on the last day of the financial year.

* Management fee	payable monthly and based on the average net assets of the Sub-Fund during the month in question. The payment is due in the following month.
** Custodian Bank fees	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 6,000 p.a.
***Services fee	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 25,000 p.a.
Other costs and fees	The Sub-fund shall also pay other operating costs. Details of these costs are outlined in Article 30 of the Articles of Association.

TAXATION SYSTEM

Taxation of the SICAV

The SICAV is not subject to Luxembourg tax on its income, profits or capital gains or to Luxembourg wealth tax.

However, the SICAV is subject to a subscription tax at an annual rate of 0.05% per annum, in principle, calculated and payable quarterly based on the net assets of the SICAV (or of each Sub-Fund in respect of each relevant Class) on the last day of each quarter. Nevertheless, a reduced annual rate of 0.01% or a total exemption will be applicable, depending on the circumstances.

For further information, please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.

Please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.

Taxation of Shareholders

Shareholders are advised to seek advice from their tax consultant regarding the laws and regulations in force in their country of origin and residence.

French investors: this Sub-Fund is eligible for PEA (Equity Savings Plans).

German Investors: this Sub-Fund is an "Aktiensfonds"

SALE OF SHARES

Subscription, redemption and conversion

Subscription, redemption and conversion orders received in Luxembourg before 1 p.m. on a valuation day (the "**Valuation Day**") will be deducted on the basis of the NAV calculated by reference to the Valuation Day by applying the rights provided for in the prospectus. Subscriptions and redemptions must be paid up no later than two working days following the applicable valuation day.

Share type/class

Shares in this Sub-fund are capitalisation or distribution Shares.

Shares are issued in registered form. Fractions of up to one ten thousandth of a Share may be issued.

Valuation Day

Each bank business day in Luxembourg by reference to which the NAV is calculated; in the event of closure, the NAV will be calculated based on the next bank business day.

Value date for subscriptions and redemptions

Within 2 working days following the applicable NAV

Publication of the NAV

NAVs can be consulted at the registered office of the SICAV.

CONTACTS

Subscriptions, redemptions and conversions

BNP Paribas Securities Services - Luxembourg Branch

Request for documentation

BNP Paribas Securities Services - Luxembourg Branch
Tel.: + 352 26.96.20.30

The Prospectus, KIIDs and annual and half-yearly reports may be obtained free of charge from the registered office of BNP Paribas securities – Luxembourg Branch.

MANDARINE MULTI-ASSETS

Sub-Fund of **Mandarine Funds**,
a variable capital investment company (hereinafter referred to as the "SICAV") under Luxembourg law

OVERVIEW OF THE SICAV

Date of incorporation	03 March 2010
Country of registration	Luxembourg
Legal form	SICAV with multiple sub-funds
Duration	Unlimited
Management Company	MANDARINE GESTION SA
Custodian	BNP Paribas Securities Services, Luxembourg Branch
Central administration	BNP Paribas Securities Services, Luxembourg Branch
Auditors	DELOITTE AUDIT
Supervisory authority	COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER, Luxembourg

OVERVIEW OF THE SUB-FUND

ISIN code	Class Z shares: LU0982862921 Class R shares: LU0982863069 Class R shares (d): LU1303938374 Class F shares: LU1303938457 Class I shares: LU0982863143 Class I2 shares: LU0982863226 Class S shares: LU0982863655 Class G shares: LU0982863499 Class G2 shares: LU0982863572 Class M shares: LU0982863739 Class L shares: LU0982863812 Class MG shares: LU1303938531
Listing on Luxembourg stock exchange	The Shares may be listed on the Luxembourg Stock Exchange if so decided by the Board of Directors of the SICAV.

INVESTMENT POLICY

Investment objective	The objective of Mandarine Multi-Assets (the " Sub-Fund ") is to encourage the establishment of long-term assets by investing in a diversified portfolio exposed to different asset classes.
Investment policy of the Sub-Fund	To achieve the Sub-Fund's investment objective, the management team will invest in a wide range of asset classes through multiple strategies combining different performance drivers.

From its convictions, based on the results of its fundamental analysis of the macro-economic and financial environment and of its growth forecasts for the various asset classes (“**top down**” approach), the Sub-Fund's management team will implement investment strategies in a discretionary and opportunistic way.

Description of the strategies used:

Depending on the results of its fundamental analysis, the management team will take long or short positions on the various asset classes:

medium and long term through directional strategies,
completed short term, relative value and arbitration tactical strategies.

The Sub-Fund will invest at least 60% of its net assets in equities of companies of the European Economic Area, in all sectors and all capitalisations. The management of the Sub-Fund's shares will be based on **stock-picking** applied by the managers.

The Sub-Fund may also invest in all interest rate, foreign exchange and international equity markets and may, among other things, be exposed to foreign currencies and debt securities of any type (including eligible transferable securities pursuant to Article 41 of the Law of 2010, such as Tradable **Debt** Securities and Euro Medium Term Notes (“**EMTN**”), money market instruments and similar securities, volatility indices and commodities (excluding precious metals). In this context, the Sub-Fund will invest in a selection of securities directly, financial futures or spot instruments or UCIs invested or exposed to different asset classes. It shall be understood that the Sub-Fund will not hold raw materials directly and that the Management Company shall ensure that there is no physical delivery.

The choice of investments will not be limited to a single geographical area (including emerging countries), one economic activity sector in particular, one asset class or one given currency. However, depending on the market conditions, investments may be focussed on a single country or a reduced number of countries and/or one economic activity sector and/or one currency and/or one asset class.

Given the discretionary nature of the policy for exposure to different markets, the management team may develop particular themes based on their forecast yield expectations for these themes, in order to benefit from more encouraging anticipated performance for one asset class compared to another.

The Sub-Fund may invest up to 30% of its assets in the markets of emerging countries. Furthermore, the Sub-Fund may also invest up to 10% of its net assets in UCIs or ETFs (*trackers*).

The Sub-Fund may hold ancillary and temporary liquidities which may consist of units of monetary UCIs and/or money market instruments and/or long-term deposits, in accordance with the risk-spreading principles adopted.

The Sub-Fund may invest in simple structured products, certificates with no leverage effect (embedded derivatives), trackers or any other transferable security, including derivative instruments, whose yield is linked to, amongst other things, an index which respects the provisions of Article 9 of the Grand-Ducal regulation of 8 February 2008 (including indices on raw materials, precious metals, volatility, etc.), currencies, interest rates, transferable securities, a basket of transferable securities, a UCI, in accordance with the Grand-Ducal regulation of 8 February 2008.

The Sub-Fund's exposure to equity markets will be between 0% and 100% of its net assets, mainly through the listed derivative products.

Risk control: the tools for monitoring the portfolio must enable the daily monitoring of the development of the Sub-Fund's risk indicators, especially the level of overall volatility and risk.

Use of derivatives

Within the limits set out in the Prospectus, the Sub-fund may use financial markets techniques and instruments for the purposes of the proper management of the portfolio or for hedging, within the limits set out by the investment restrictions.

The use of derivatives is limited to 100% of the Sub-Fund's net assets.

Financial guarantees (or collateral) and discount policy

The Sub-Fund will not receive securities as collateral, but will only receive cash collateral in euros to reduce counterparty risk in the context of effective portfolio management techniques.

Type of collateral	Currency	Valuation level
Cash	EUR	100%

The cash received as collateral will only be reinvested in money market funds (as defined in the ESMA opinion dated 22 August 2014 (ESMA/2014/1103) on the review of the "CESR Guidelines on a Common Definition of European Money Market Funds (CESR/10-049)").

Reference currency

EUR

Risk profile of the Sub-fund

Investors are alerted to the fact that investing in this Sub-Fund presents specific risks inherent to the various asset classes in which the Sub-Fund may invest or to which it may be exposed, and it shall be the responsibility of the investors to review the risks as more fully detailed in the Prospectus:

**Risk arising from discretionary management style;
 Risk of capital loss;
 Credit, interest rate and exchange rate risk;
 Equities risk;
 Risk arising from the use of financial futures; and
 Guarantee: The Fund's capital is not secured**

The use of derivative financial instruments in the framework of its investment strategy exposes the Sub-Fund to potential risks if the market changes contrary to the Management Company's forecasts.

Risk management method

Commitment approach.

Investor profile

Investment horizon: > 5 years

This Sub-fund is an investment vehicle intended for investors who:

- are interested in the financial markets;
- wish to invest in and be exposed to diversified asset classes.

SHARES AVAILABLE - SUBSCRIPTION AMOUNT

	Initial NAV	Amount of initial subscription *	Amount of subsequent subscription
Z shares **	EUR 100	EUR 50	None
R shares	EUR 100	EUR 50	None
R shares (d)	EUR 100	EUR 50	None
F Shares	EUR 1,000	EUR 50	None
I shares	EUR 1,000	EUR 500,000	None
I2 shares	EUR 1,000	EUR 500,000	None
G shares	EUR 1,000	EUR 500,000	None
G2 shares	EUR 1,000	EUR 500,000	None
S shares***	EUR 1,000	EUR 500,000	None
M shares	EUR 10,000	EUR 20,000,000	None
L shares	EUR 10,000	EUR 20,000,000	None
MG shares****	EUR 1,000	EUR 1,000	None

* except for the management company, which may only take out one unit.

** individuals subscribing to the SICAV.

*** Class reserved for institutional investors such as those defined by the lines of conduct and recommendations issued periodically by the Luxembourg supervisory authority, mainly Spanish and Italian. S Class investors shall, upon request from the SICAV, undertake to provide proof of their eligibility and especially of their capacity as an institutional investor.

****Class reserved for Mandarine Gestion and entities of its group.

For F Shares: shares reserved for all investors and, in the context of subscription or distribution within the European Union, that are intended solely for:

Financial intermediaries who are not authorised, in virtue of the regulations applicable to them, to receive and/or hold on to any commissions or non-monetary benefits; or

Subscribers subscribing to portfolio management services on behalf of third parties (management by mandate) and/or independently provided investment consulting within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, within the European Union (the MIF2 Directive);

Distributors subscribing in the context of investment advice not considered to be independent within the meaning of Directive MIF2 on the basis of a contract with their customer, and/or where such a distributor neither receives nor holds on to any commission or other non-monetary benefit under Directive MIF2.

FEES PAYABLE BY THE SUBSCRIBER

The Distributor or the authorised distribution intermediaries may take the following maximum fees on shares from the Sub-Fund:

	Subscription fee	Redemption fee	Conversion fee
All Shares	2% max	-	1% max

FEES AND COSTS CHARGED TO THE SUB-FUND

	Management fees*	Outperformance fee <i>Performance fee</i>	Custodian bank fees**	Services fee***
Z shares	1.60% max	15%	0.10% max	0.40% max
R shares	1.60% max	15%	0.10% max	0.40% max
R shares (d)	2.00% max	15%	0.10% max	0.40% max
F Shares	0.80% max	15%	0.10% max	0.40% max
I shares	0.70% max	15%	0.10% max	0.40% max
I2 shares	0.85% max	-	0.10% max	0.40% max
G shares	0.70% max	15%	0.10% max	0.40% max
G2 shares	0.85% max	-	0.10% max	0.40% max
S shares	1.00% max	15%	0.10% max	0.40% max
M shares	0.50% max	15%	0.10% max	0.40% max
L shares	0.75% max	-	0.10% max	0.40% max
MG shares	1.00% max	-	0.10% max	0.40% max

Outperformance fee:

The outperformance fee is based on a comparison between the performance of the Sub-Fund and that of a notional UCI achieving the performance of the capitalised EONIA rate 300 base points (300 BPS), using the same subscription and redemption scheme as the Sub-Fund.

Upon each establishment of the NAV, the outperformance fee shall be subject to a provision (of 15% of the outperformance) once the performance of the Sub-Fund is greater than that of the notional UCI over the observation period, or a re-provision limited to the existing appropriation in the event of underperformance.

This outperformance fee, calculated each financial year, in principle has a "highwatermark": in the event of underperformance over the financial year, the observation period is extended by one financial year and the outperformance fee is then calculated over an accumulation of two financial years.

So at the end of the financial year:

- If the asset valued from the Sub-Fund is higher than that of the asset of the notional UCI, the provision is collected by the Management Company (this provision will represent 15% of the difference between these two assets) and a new observation period of one financial year will begin. The level of the notional UCI asset chosen for the new observation period will then be readjusted to the level of the asset valued by the Sub-Fund.

- If the asset valued by the Sub-Fund is lower than that of the notional UCI, no provision is noted and the observation period continues for an additional year, keeping the initial level of the benchmark asset. At the end of this two-year observation period:
 - if the asset valued by the Sub-Fund is higher than that of the notional UCI, the provision will then be collected by the Management Company;
 - otherwise, no provision will be taken.

The level of the asset from the notional UCI will in both cases (*see: (i) and (ii)*) be automatically readjusted to the level of the asset valued by the Sub-Fund (after taking all or part of a provision, if applicable) and a new observation period of one financial year will begin.

In the event of redemptions over the period, the share of the constituted provision corresponding to the number of Shares redeemed will be definitively acquired and taken by the Management Company.

The departure point for the first observation period corresponds to the start date of the Sub-Fund's outperformance fee: 1 January 2014; the first period will end on the last day of the financial year at the earliest, ending on 31 December 2014.

* Management fee		payable monthly and based on the average net assets of the Sub-fund during the month in question. The payment is due in the following month.
** Custodian Bank fees	>	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 6,000 p.a.
***Services fee	>	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, with a minimum not exceeding EUR 25,000 p.a.
Other costs and fees		The Sub-fund shall also pay other operating costs. Details of these costs are outlined in Article 30 of the Articles of Association.

TAXATION SYSTEM

Taxation of Shareholders

Please refer to section 16 of this prospectus: "Taxation of the SICAV and Shareholders".

Shareholders are advised to seek advice from their tax consultant regarding the laws and regulations in force in their country of origin and residence.

French investors: this Sub-Fund is not eligible for PEA (Equity Savings Plans).

German Investors: this Sub-Fund is an "Aktiensfonds".

SALE OF SHARES

Subscription, redemption and conversion	Subscription, redemption and conversion orders received in Luxembourg before 1 p.m. on a valuation day (the " Valuation Day ") will be deducted on the basis of the NAV calculated by reference to the Valuation Day by applying the charges provided for in the prospectus. Subscriptions and redemptions must be paid up no later than two working days following the applicable valuation day.
Share type/class	Shares in this Sub-fund are capitalisation or distribution Shares. Shares are issued in dematerialised in registered form. Fractions of up to one ten thousandth of a Share may be issued.
Valuation Day	Each bank business day in Luxembourg by reference to which the NAV is calculated, in the event of closure, the NAV will be calculated based on the following bank business day.
Value date for subscriptions and redemptions	Within 2 working days following the applicable NAV
Publication of the NAV	NAVs can be consulted at the registered office of the SICAV.

CONTACTS

Subscriptions, redemptions and conversions

BNP Paribas Securities Services - Luxembourg Branch

Request for documentation

BNP Paribas Securities Services - Luxembourg Branch

Tel.: + 352 26.96.20.30

The Prospectus, KIIDs and annual and half-yearly reports may be obtained free of charge from the registered office of BNP Paribas securities – Luxembourg Branch.

MANDARINE EUROPE MICROCAP

Sub-Fund of **Mandarine Funds**,
a variable capital investment company (hereinafter referred to as the "SICAV") under Luxembourg law

OVERVIEW OF THE SICAV

Date of incorporation	03 March 2010
Country of registration	Luxembourg
Legal form	SICAV with multiple sub-funds
Duration	Unlimited
Management Company	MANDARINE GESTION SA
Custodian bank	BNP Paribas Securities Services, Luxembourg Branch
Central administration	BNP Paribas Securities Services, Luxembourg Branch
Statutory Auditor	DELOITTE AUDIT
Supervisory authority	COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER, Luxembourg

OVERVIEW OF THE SUB-FUND

ISIN code	Class Z shares: LU1303940602 Class R shares: LU1303940784 Class I shares: LU1303940941 Class F shares: LU1303941089 Class S shares: LU1303941162 Class G shares: LU1303941246 Class M shares: LU1303941329 Class L shares: LU1303941592 Class B1 shares (GBP): LU1342506828 Class B2 shares (GBPH): LU1342507040 Class B3 shares (GBP): LU1342507123 Class B4 shares (GBPH): LU1342507396 Class I shares (USD): LU1545812940 Class I shares (USDH): LU1342507479 Class R shares (USD): LU1545813088 Class R shares (USDH): LU1342507552 Class MG shares: LU1303941758
Listing on Luxembourg stock exchange	The Sub-fund's Shares may be listed on the Luxembourg Stock Exchange if so decided by the Board of Directors of the SICAV.

INVESTMENT POLICY

Investment objective	The aim of the Mandarine Europe Microcap Sub-fund (the " Sub-fund ") is to provide investors with long-term growth from an actively managed portfolio consisting of listed shares selected
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from among micro- and small-cap European companies, and to outperform the MSCI ® Europe Micro Cap – Net Return benchmark index (the “**Index**”).

**Reference index
(Benchmark)**

MSCI ® Europe Micro Cap – Net Return

Identifiers:

Bloomberg Ticker: M7EU Index

This Index is one of the benchmarks for small and micro capitalisation issuers on European markets.

The Index is denominated in euros. The performance of the Index is expressed as reinvested dividends.

For further information on the characteristics and composition of this Index, please consult the website of the Index Producer (www.msci.com).

However, the Sub-Fund's objective is not to reproduce the performance of this index in any manner. It makes its investments based on criteria that could result in significant variations compared to the performance and composition of this Index. Investments in companies are made on the basis of weightings that are not based on the relative weighting of each company in the Index.

Investment policy of the Sub-Fund

The Sub-Fund will invest at least 75% of its net assets in shares of companies which have their registered offices located within the European Economic Area (EEA).

Within this framework, the Sub-Fund will invest predominantly in European *micro and small caps* equities.

The Sub-Fund will incorporate extra-financial criteria into the stock selection process. A proprietary rating on these criteria will exclude the 20% of companies with the lowest ratings in each sector from the investment universe (*so-called "Best in Class" methodology*).

The Sub-Fund will also be authorised to invest up to 25% of its net assets in money market instruments or debt securities (including eligible securities pursuant to Article 41 of the Law of 2010, such as tradable debt securities and Euro Medium Term Notes ("EMTN")) and all other types of eligible bonds or money market securities.

Furthermore, the Sub-Fund may also invest up to 10% of its net assets in UCIs units in order to invest its liquid assets.

Extra-financial strategy

The Sub-Fund will employ a "*Best-in-Class*" extra-financial investment strategy.

Through a "proprietary" extra-financial filter, European companies are rated according to their impact on the Company.

More specifically, as part of the "Best-in-Class" approach, the following **ESG** criteria will be taken into account:

The **Environmental criterion** focuses on: environmental policy, the provision of eco-responsible solutions, the impact of the value chain on the environment, management of greenhouse gas emissions, waste management, etc.

The **Social and Societal criterion** focuses on: the turnover rate, the attractiveness of the employer brand and the recruitment policy, the distribution of value within the workforce, staff training, health and safety policy, etc.

The **Governance criterion** focuses on: the operation and effectiveness of the appointments/remuneration committee, the diversity of the composition of the Board, etc.

This selection is based on an ESG ranking of companies in the same sector, in order to select companies with ESG best practices within their sector of activity.

To this end, the Management Company's ESG expertise unit attributes extra-financial ESG scores to issuers in each sector, using a proprietary filter to identify the companies in the activity sectors within the investment universe with positive societal impact.

The indicators selected as part of the ESG filter are leading indicators of future growth. They help to qualify the sustainability of future growth and therefore the visibility and quality of the company's business model.

The extra-financial analysis results in a 5-step ESG score (*quintiles*) from A (*best score*) to E (*worst score*).

The Sub-Fund's investment universe excludes issuers with the worst ESG score (*the "E" score*), which thus makes it possible to establish a list of securities in which the Manager may invest. The use of this selection process results in a 20% reduction in issuers in the investment universe with an ESG score.

ESG scores may go up or down over time. They are reviewed at least every 12 months.

Under the law, companies involved in the production or distribution of anti-personnel mines and cluster munitions prohibited by the Ottawa and Oslo Conventions are also excluded.

Definitions:

"Micro & small caps" are defined here as European micro and small cap equities, with listed equities having a market capitalisation of less than or equal to the largest market capitalisation of issuers included in the composition of the MSCI ® Europe Micro Cap and MSCI ® Europe Small Cap indices.

Within the limits set out in the Prospectus, the Sub-fund may use financial markets techniques and instruments for the purposes of the proper management of the portfolio or for hedging, within the limits set out by the investment restrictions.

The use of derivatives is limited to 100% of the Sub-Fund's net assets.

Financial guarantees (or collateral) and discount policy

The Sub-Fund will not receive securities as collateral, but will only receive cash collateral in euros to reduce counterparty risk in the context of effective portfolio management techniques.

Type of collateral	Currency	Valuation level
Cash	EUR	100%

The cash received as collateral will only be reinvested in money market funds (as defined in the ESMA opinion dated 22 August 2014 (ESMA/2014/1103) on the review of the "CESR Guidelines on a Common Definition of European Money Market Funds (CESR/10-049)").

Use of derivatives

Reference currency of the Sub-fund	EUR
Risk profile of the Sub-fund	<p>Investors are alerted to the fact that investing in this Sub-Fund presents specific risks inherent to the various asset classes in which the Sub-Fund may invest or to which it may be exposed, and it shall be the responsibility of the investors to review the risks as more fully detailed in the Prospectus:</p> <p>Equities risk Liquidity risk, in particular related to holding micro and small cap companies; Risk arising from discretionary management style; Risk of capital loss;</p>
Risk management method of > the Sub-fund	<i>Commitment approach.</i>
Investor profile	<p>Investment horizon: > 5 years</p> <p>This Sub-fund is an investment vehicle intended for investors who:</p> <ul style="list-style-type: none"> • are interested in the financial markets; • wish to invest in micro and small cap companies in the European Economic Area; • are willing to accept the strong fluctuations in rates and who therefore present low risk aversion.

SHARES AVAILABLE - SUBSCRIPTION AMOUNT

Classes	Amount of initial subscription *	Amount of subsequent subscription
Z shares**	EUR 50	None
R, R (USD), R (USDH) F shares	EUR 50 / (USD) 50	None
I, I (USD) and I (USDH) shares	EUR 100,000 / USD 100,000	None
G shares ***	EUR 100,000	None
S shares ****	EUR 100,000	None
M shares	EUR 10,000,000	None
L shares	EUR 10,000,000	None
MG shares*****	EUR 1,000	None
B1 (GBP) and B2 (GBPH) shares	GBP 10,000,000	None
B3 (GBP) and B4 (GBPH) shares	GBP 1,000	None

* except for the management company, which may only take out one unit.

** individuals subscribing to the SICAV.

*** institutional investors governed by German law: legal persons directly or indirectly subject to German legal and tax rules, especially those relating to the provisions of § 5 Investmentsteuergesetz and also institutional investors governed by Austrian law.

**** Class reserved for institutional investors such as those defined by the lines of conduct and recommendations issued periodically by the Luxembourg supervisory authority, mainly Spanish and Italian. S class investors shall, upon request from the SICAV, undertake to provide proof of their eligibility and especially of their capacity as an institutional investor.

*****Class reserved for Mandarine Gestion and entities of its group.

For I (USDH), R (USDH), B2 (GBPH) and B4 (GBPH) Shares, currency hedging is implemented, the aim of which is to limit the impact of changes in the EUR/USD, EUR/GBP exchange rate on performance and to hedge against the USD/EUR and GBP/EUR exchange rate risk to the fullest possible extent. For Classes denominated in currencies other than the euro, subscribers are alerted to the fact that there may be a residual exchange rate risk. Hedging can generate a performance deviation between Share Classes denominated in different currencies.

For F Shares: shares reserved for all investors and, in the context of subscription or distribution within the European Union, that are intended solely for:

Financial intermediaries who are not authorised, in virtue of the regulations applicable to them, to receive and/or hold on to any commissions or non-monetary benefits; or

Subscribers subscribing to portfolio management services on behalf of third parties (management by mandate) and/or independently provided investment consulting within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, within the European Union (the MIF2 Directive);

Distributors subscribing in the context of investment advice not considered to be independent within the meaning of Directive MIF2 on the basis of a contract with their customer, and/or where such a distributor neither receives nor holds on to any commission or other non-monetary benefit under Directive MIF2.

FEES PAYABLE BY THE SUBSCRIBER

The authorised distribution intermediaries may take the following maximum fees on Shares from the Sub-fund:

	Subscription fee	Redemption fee	Conversion fee
All categories of Shares	2% max	-	1% max

FEES AND COSTS CHARGED TO THE SUB-FUND

	Management fee*	Outperformance fee	Custodian bank fee**	Services fee***	
Z shares	2.20% max		0.10% max	0.50% max	
R shares	2.20% max		0.10% max	0.50% max	
I shares	1.00% max		0.10% max	0.50% max	
G shares	1.00% max		0.10% max	0.50% max	
S shares	1.40% max		0.10% max	0.50% max	
F Shares	1.10% max	20% of the outperformance above the MSCI ® Europe Micro Cap – Net Returns	0.10% max	0.50% max	
M shares	0.75% max		0.10% max	0.50% max	
B1 shares (GBP)	0.75% max		0.10% max	0.50% max	
B2 shares (GBPH)	0.75% max		0.10% max	0.50% max	
R shares (USD)	2.20% max		0.10% max	0.50% max	
R shares (USDH)	2.20% max		0.10% max	0.50% max	
I shares (USD)	1.00% max		0.10% max	0.50% max	
I shares (USDH)	1.00% max		0.10% max	0.50% max	
MG shares	1.00% max		N/A	0.10% max	0.50% max
L shares	1.00% max		N/A	0.10% max	0.50% max
B3 shares (GBP)	1.00% max	N/A	0.10% max	0.50% max	
B4 shares (GBPH)	1.00% max	N/A	0.10% max	0.50% max	

Outperformance fee: The calculation period for the outperformance fee shall be the Sub-fund's financial year. However, the first calculation period shall begin on the date the first NAV is calculated and shall end on the last day of the current financial year. Each time the NAV is determined, the outperformance of the Sub-fund (the “**Outperformance**”) shall be defined as the positive difference between the valuation of the Sub-fund prior to consideration of any provision for the outperformance fee and the valuation of a notional UCI achieving the performance of the benchmark and using the same set of subscriptions and purchases as the Sub-fund.

The benchmark used for this calculation will be the MSCI ® Europe Micro Cap – Net Return Index. For Share Classes denominated in currencies other than the euro and not subject to currency hedging, the performance of the benchmark will be taken in the denomination currency of the class.

Every time the NAV is established, the outperformance fee, defined as 20% (including taxes) of the out performance, is subject to a provision or a recovery of provisions within the limits of the existing appropriation.

Such a provision may only be booked on condition that the NAV, after taking into account a provision (in full or in part) for the outperformance fee, is greater than the Sub-Fund's net asset value at the beginning of the financial year. In the event of redemptions, the share of the outperformance fee corresponding to the redeemed Shares is collected by the Management Company. Excluding redemptions, the outperformance fee shall be collected by the Management Company on the last day of the financial year.

* Management fee	payable monthly and based on the average net assets of the Sub-fund during the month in question. The payment is due in the following month.
** Custodian Bank fees	payable quarterly, based on the average net assets of the Sub-fund during the respective quarter, with a minimum of EUR 6,000 p.a.
***Services fee	payable quarterly, based on the average net assets of the Sub-fund during the respective quarter, with a minimum of EUR 25,000 p.a.
Other costs and fees	The Sub-fund shall also pay other operating costs. Details of these costs are outlined in Article 30 of the Articles of Association.

TAXATION SYSTEM

Taxation of the SICAV	<p>The SICAV is not subject to Luxembourg tax on its income, profits or capital gains or to Luxembourg wealth tax.</p> <p>However, the SICAV is subject to a subscription tax at an annual rate of 0.05% per annum, in principle, calculated and payable quarterly based on the net assets of the SICAV (or of each Sub-Fund in respect of each relevant Class) on the last day of each quarter. Nevertheless, a reduced annual rate of 0.01% or a total exemption will be applicable, depending on the circumstances.</p> <p>For further information, please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.</p>
Taxation of Shareholders	<p>Please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus. Shareholders are advised to seek advice from their tax consultant regarding the laws and regulations in force in their country of origin and residence.</p> <p>French investors: Sub-Fund eligible for French tax schemes known as "PEA" and "PEA-PME".</p> <p>German Investors: this Sub-Fund is an "Aktiensfonds"</p>

SALE OF SHARES

Subscription, redemption and conversion	Subscription, redemption and conversion orders received in Luxembourg before 1 p.m. on a valuation day (the " Valuation Day ") will be deducted on the basis of the NAV calculated by reference to the Valuation Day by applying the charges provided for in the prospectus. Subscriptions and redemptions must be paid up no later than two working days following the applicable valuation day.
Share type/class	<p>Shares in this Sub-Fund are capitalisation shares.</p> <p>Shares are issued in registered form.</p> <p>Fractions of up to one ten thousandth of a Share may be issued.</p>

Valuation Day	Each bank business day in Luxembourg by reference to which the NAV is calculated, in the event of closure, the NAV will be calculated based on the following bank business day.
Value date for subscriptions and redemptions	Within 2 working days of the NAV.
Publication of the NAV	NAVs can be consulted at the registered office of the SICAV.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services - Luxembourg Branch
Request for documentation	BNP Paribas Securities Services - Luxembourg Branch Tel.: + 352 26.96.20.30

The Prospectus, KIID, and annual and periodic briefing documents, may be obtained free of charge from the registered office of BNP Paribas securities – Luxembourg Branch.

MANDARINE GLOBAL MICROCAP

Sub-Fund of **Mandarine Funds**,
a variable capital investment company (hereinafter referred to as the "SICAV") under Luxembourg law

OVERVIEW OF THE SICAV

Date of incorporation	03 March 2010
Country of registration	Luxembourg
Legal form	SICAV with multiple sub-funds
Duration	Unlimited
Management Company	MANDARINE GESTION SA
Custodian bank	BNP Paribas Securities Services, Luxembourg Branch
Central administration	BNP Paribas Securities Services, Luxembourg Branch
Statutory Auditor	DELOITTE AUDIT
Supervisory authority	COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER, Luxembourg

OVERVIEW OF THE SUB-FUND

ISIN code	Class Z shares: LU1329694183 Class R shares: LU1329694266 Class I shares: LU1329694423 Class F shares: LU1673109408 Class G shares: LU1329694936 Class S shares: LU1329694779 Class M shares: LU1329695073 Class L shares: LU1329695156 Class B1 shares (GBP): LU1342507636 Class B2 shares (GBPH): LU1342507719 Class B3 shares (GBP): LU1342507800 Class B4 shares (GBPH): LU1342507982 Class I shares (USD): LU1545812783 Class I shares (USDH): LU1342508014 Class R shares (USD): LU1545812866 Class R shares (USDH): LU1342508105 Class MG shares: LU1329695313 Class B1 shares (AUD): LU1744748184 Class B2 shares (AUD): LU1744748267
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Listing on Luxembourg stock exchange

The Sub-Fund's Shares may be listed on the Luxembourg Stock Exchange if so decided by the Board of Directors of the SICAV.

INVESTMENT POLICY**Investment objective**

The aim of the Mandarine Global Microcap Sub-fund (the “**Sub-fund**”) is to provide investors with long-term growth from an actively managed portfolio consisting of listed shares selected from among micro- and small-cap companies in developed markets worldwide, and to outperform the MSCI ® World Micro Cap – Net Return benchmark index (the “**Index**”).

MSCI ® World Micro Cap – Net Return.

Reference index (Benchmark)

Identifiers:
Bloomberg Ticker: M7WORC Index

This Index is one of the benchmarks for small and micro capitalisation issuers in world markets.

The Index is denominated in euros. The performance of the Index is expressed as reinvested dividends.

For further information on the characteristics and composition of this Index, please consult the website of the Index Producer (www.msci.com).

However, the Sub-Fund's objective is not to reproduce the performance of this index in any manner. It makes its investments based on criteria that could result in significant variations compared to the performance and composition of this Index. Investments in companies are made on the basis of weightings that are not based on the relative weighting of each company in the Index.

Investment policy of the Sub-Fund

The Sub-Fund will invest predominantly in international *micro & small caps* equities listed on developed markets. The Sub-Fund will also be authorised to invest up to 20% of its net assets in money market instruments or debt securities (including eligible securities pursuant to Article 41 of the Law of 2010, such as tradable debt securities and *Euro Medium Term Notes* (“EMTN”)) and all other types of eligible bonds or money market securities.

The Sub-Fund is authorised to invest up to 15% of its net assets on international markets other than developed markets.

Incidentally, the Sub-Fund may also invest up to 10% of its net assets in UCIs in order to invest its liquid assets.

Should the Management Company deem it necessary and in the interests of the Sub-Fund's shareholders, for defensive purposes, the Sub-Fund may temporarily hold cash up to 100% of its net assets, including, among other things, deposits, money market instruments, money market UCIs (and/or UCITS) (up to a limit of 10% in UCIs).

Definitions:

“Micro & small caps” are defined in this case as micro and small cap shares, with listed company shares having a capitalisation less than or equal to the largest market capitalisation of the issuers listed in the MSCI ® World Micro Cap and MSCI ® World Small Cap indices.

“Developed markets”: “Developed Markets Countries” or “DM” list of countries as defined by the MSCI Financial Services Company.

Use of derivatives

Within the limits set out in the Prospectus, the Sub-Fund may use financial markets techniques and instruments for the purposes of proper management of the portfolio or for hedging, within the limits set out by the investment restrictions.
The use of derivatives is limited to 100% of the Sub-Fund's net assets.

Financial guarantees (or collateral) and discount policy

The Sub-Fund will not receive securities as collateral, but will only receive cash collateral in euros to reduce counterparty risk in the context of effective portfolio management techniques.

Type of collateral	Currency	Valuation level
Cash	EUR	100%

The cash received as collateral will only be reinvested in money market funds (as defined in the ESMA opinion dated 22 August 2014 (ESMA/2014/1103) on the review of the "CESR Guidelines on a Common Definition of European Money Market Funds (CESR/10-049)").

Reference currency of the Sub-fund

EUR

Risk profile of the Sub-fund

Investors are alerted to the fact that investing in this Sub-Fund presents specific risks inherent to the various asset classes in which the Sub-Fund may invest or to which it may be exposed, and it shall be the responsibility of the investors to review the risks as more fully detailed in the Prospectus:

Equities risk;

Liquidity risk, particularly related to holding micro and small cap companies;

Exchange rate risk;

Risk arising from discretionary management;

Risk of capital loss;

Emerging markets risk.

Risk management method of the Sub-Fund

Commitment approach.

Investor profile

Investment horizon: > 5 years

This Sub-fund is an investment vehicle intended for investors who:

are interested in the financial markets;

who wish to invest in shares of diversified micro- and small cap companies globally;

are willing to accept the strong fluctuations in rates and who therefore present low risk aversion.

SHARES AVAILABLE - SUBSCRIPTION AMOUNT

Classes	Minimum value of initial subscription *	Minimum value of subsequent subscriptions
Z shares**	EUR 50	None
R, R (USD), R (USDH) F shares	EUR/USD 50	None
I, I (USD) and I (USDH) shares	EUR/USD 100,000	None
G shares ***	EUR 100,000	None
S shares ****	EUR 100,000	None
M shares	EUR 10,000,000	None
L shares	EUR 10,000,000	None
B1 share (GBP)	GBP 10,000,000	None
B2 share (GBPH)	GBP 10,000,000	None
B3 shares (GBP)	GBP 1,000	None
B4 shares (GBPH)	GBP 1,000	None
A1 and A2 Shares (AUD)	AUD 20,000,000	None
MG shares*****	EUR 1,000	None

* except for the management company, which may only take out one unit.

** individuals subscribing to the SICAV.

*** institutional investors governed by German law: legal persons directly or indirectly subject to German legal and tax rules, especially those relating to the provisions of § 5 Investmentsteuergesetz and also institutional investors governed by Austrian law.

*** Class reserved for institutional investors such as those defined by the lines of conduct and recommendations issued periodically by the Luxembourg supervisory authority, mainly Spanish and Italian. S class investors shall, upon request from the SICAV, undertake to provide proof of their eligibility and especially of their capacity as an institutional investor.

*****Class reserved for Mandarine Gestion and entities of its group.

For I (USDH), R (USDH), B2 (GBPH) and B4 (GBPH) Shares, currency hedging is implemented, the aim of which is to limit the impact of changes in the EUR/USD, EUR/GBP exchange rate on performance and to hedge against the USD/EUR and GBP/EUR exchange rate risk to the fullest possible extent. For Classes denominated in currencies other than the euro, subscribers are alerted to the fact that there could still be a residual exchange rate risk. Hedging can generate a performance deviation between Share Classes denominated in different currencies.

For F Shares: shares reserved for all investors and, in the context of subscription or distribution within the European Union, that are intended solely for:

Financial intermediaries who are not authorised, in virtue of the regulations applicable to them, to receive and/or hold on to any commissions or non-monetary benefits; or

Subscribers subscribing to portfolio management services on behalf of third parties (management by mandate) and/or independently provided investment consulting within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, within the European Union (the MIF2 Directive);

Distributors subscribing in the context of investment advice not considered to be independent within the meaning of Directive MIF2 on the basis of a contract with their customer, and/or where such a distributor neither receives nor holds on to any commission or other non-monetary benefit under Directive MIF2.

FEES PAYABLE BY THE SUBSCRIBER

The authorised distribution intermediaries may take the following maximum fees on Shares from the Sub-fund:

	Subscription fee	Redemption fee	Conversion fee
All Shares	2% max	-	1% max

FEES AND COSTS CHARGED TO THE SUB-FUND

	Management fee*	Outperformance fee	Custodian bank fee**	Services fee***	
Z shares	2.20% max		0.10% max	0.50% max	
R shares	2.20% max		0.10% max	0.50% max	
F Shares	1.10% max		0.10% max	0.50% max	
I shares	1.00% max		0.10% max	0.50% max	
G shares	1.00% max		0.10% max	0.50% max	
S shares	1.40% max	20% of the outperformance above that of the MSCI © World Micro Cap – Net Return	0.10% max	0.50% max	
M shares	0.75% max		0.10% max	0.50% max	
B1 shares (GBP)	0.75% max		0.10% max	0.50% max	
B2 shares (GBPH)	0.75% max		0.10% max	0.50% max	
R shares (USD)	2.20% max		0.10% max	0.50% max	
R shares (USDH)	2.20% max		0.10% max	0.50% max	
I shares (USD)	1.00% max		0.10% max	0.50% max	
I shares (USDH)	1.00% max		0.10% max	0.50% max	
A1 Shares (AUD)	0.90% max			0.10% max	0.50% max
A2 Shares (AUD)	1.15% max		N/A	0.10% max	0.50% max
MG shares	1.00% max	N/A	0.10% max	0.50% max	
L shares	1.00% max	N/A	0.10% max	0.50% max	
B3 shares (GBP)	1.00% max	N/A	0.10% max	0.50% max	
B4 shares (GBPH)	1.00% max	N/A	0.10% max	0.50% max	

Outperformance fee: The calculation period for the outperformance fee shall be the Sub-fund's financial year. However, the first calculation period shall begin on the date the first NAV is calculated and shall end on the last day of the current financial year. Each time the NAV is determined, the outperformance of the Sub-fund (the “**Outperformance**”) shall be defined as the positive difference between the valuation of the Sub-fund prior to consideration of any provision for the outperformance fee and the valuation of a notional UCI achieving the performance of the benchmark and using the same set of subscriptions and purchases as the Sub-fund.

The benchmark used for this calculation will be the MSCI © World Micro Cap – Net Return index. For share classes denominated in currencies other than the euro and not subject to currency hedging, the performance of the benchmark will be taken in the denomination currency of the class.

Every time the NAV is established, the outperformance fee, defined as 20% (including taxes) of the out performance, is subject to a provision or a recovery of provisions within the limits of the existing appropriation.

Such a provision may only be booked on condition that the NAV, after taking into account a provision (in full or in part) for the outperformance fee, is greater than the Sub-Fund's net asset value at the beginning of the financial year. In the event of redemptions, the share of the outperformance fee corresponding to the redeemed Shares is collected by the Management Company. Excluding redemptions, the outperformance fee shall be collected by the Management Company on the last day of the financial year.

* Management fee	payable monthly and based on the average net assets of the Sub-Fund. The payment is due in the following month.
** Custodian Bank fees	payable quarterly, based on the average net assets of the Sub-fund during the respective quarter, with a minimum of EUR 6,000 p.a.
***Services fee	payable quarterly, based on the average net assets of the Sub-fund during the respective quarter, with a minimum of EUR 25,000 p.a.
Other costs and fees	The Sub-fund shall also pay other operating costs. Details of these costs are outlined in Article 30 of the Articles of Association.

TAXATION SYSTEM

Taxation of the SICAV

The SICAV is not subject to Luxembourg tax on its income, profits or capital gains or to Luxembourg wealth tax.

However, the SICAV is subject to a subscription tax at an annual rate of 0.05% per annum, in principle, calculated and payable quarterly based on the net assets of the SICAV (or of each Sub-Fund in respect of each relevant Class) on the last day of each quarter. However, a reduced annual rate of 0.01% or a total exemption will be applicable depending on the circumstances.

For further information, please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.

Taxation of Shareholders

Please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.

Shareholders are advised to seek advice from their tax consultant regarding the laws and regulations in force in their country of origin and residence.

German Investors: this Sub-Fund is an "Aktienfonds"

SALE OF SHARES

Subscription, redemption and conversion and Subscription, redemption and conversion orders received in Luxembourg before 1 p.m. on Day "D" will be deducted on the basis of the NAV dated the following day (D+1) (the "**Valuation Day**"), calculated the day after (D+2), subject to the application of the fees provided for in the Prospectus, i.e. at super unknown NAV.

Subscriptions and redemptions must be paid up no later than three business days (D+3) following day D or two working days following the applicable valuation day.

Share type/class

Shares in this Sub-fund are capitalisation or distribution Shares.

Shares are issued in dematerialised in registered form.

Fractions of up to one ten thousandth of a Share may be issued.

Day D

Each banking business day in Luxembourg admitting subscription, redemption and conversion orders; in the event of closure, it will be the next banking business day.

Valuation Day

Each banking business day immediately following a Day "D"; in the event of closure, it will be the next banking business day.

Value date for subscriptions and redemptions Within three (3) banking business days following Day “D” or within two (2) banking days following Valuation Day.

Publication of the NAV NAVs can be consulted at the registered office of the SICAV.

CONTACTS

Subscriptions, redemptions and conversions BNP Paribas Securities Services - Luxembourg Branch

Request for documentation BNP Paribas Securities Services - Luxembourg Branch
Tel.: + 352 26.96.20.30

The Prospectus, KIID, and annual and periodic briefing documents, may be obtained free of charge from the registered office of BNP Paribas securities – Luxembourg Branch.

MANDARINE ACTIVE

Sub-Fund of **Mandarine Funds**,
a variable capital investment company (hereinafter referred to as the "SICAV") under Luxembourg law.

OVERVIEW OF THE SICAV

Date of incorporation	03 March 2010
Country of registration	Luxembourg
Legal form	SICAV with multiple sub-funds
Duration	Unlimited
Management Company	MANDARINE GESTION SA
Custodian	BNP Paribas Securities Services, Luxembourg Branch
Central administration	BNP Paribas Securities Services, Luxembourg Branch
Statutory Auditor	DELOITTE AUDIT
Supervisory authority	COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER, Luxembourg

OVERVIEW OF THE SUB-FUND

ISIN code	Class Z shares: LU2052475139 Class F Shares: LU2052475303 Class R shares: LU2052475568 Class I shares: LU2052475725 Class M shares: LU2052476020 Class S shares: LU2052476376 Class MG shares: LU2052476533
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Listing on Luxembourg stock exchange	The Sub-fund's Shares may be listed on the Luxembourg Stock Exchange if so decided by the Board of Directors of the SICAV.
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INVESTMENT POLICY

Investment objective	The purpose of the Mandarin Active Sub-Fund (the " Sub-Fund ") is to provide investors with long-term capital growth from a diversified portfolio and to achieve and outperform the EURO STOXX® Net Return (EUR) index (the " Index ") by selecting, via an active "stock picking" strategy, Eurozone companies that favourably address ESG criteria and have an above-average growth profile.
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EURO STOXX® Net Return (EUR)

Reference index (Benchmark)	ISIN: EU0009658194 Bloomberg Ticker: SXXT index The Index is denominated in euros. The performance of the Index is expressed as reinvested dividends.
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For further information on the characteristics and composition of this Index, please consult the website of the Index Producer (www.stoxx.com) by clicking on the following link: <https://www.stoxx.com/index-details?symbol=SXXGT>.

However, the Sub-Fund's objective is not to reproduce the performance of this index in any manner. It makes its investments based on criteria that could result in significant variations compared to the performance and composition of this Index. Investments in companies are made on the basis of weightings that are not based on the relative weighting of each company in the Index.

Investment policy of the Sub-Fund The investment strategy is based on the selection of Eurozone growth companies of all capitalisations which are delivering above-average growth in terms of their results and margins, and which have the potential to increase in value.

To reconcile the search for performance and the development of socially responsible practices, the management team relies on a financial analysis combined with extra-financial screening based on **Environmental, Social and Governance (ESG)** criteria applied upstream. The extra-financial rating focuses on non-economic criteria for assessing environmental, social or corporate governance behavior in order to evaluate and measure the exercise of their responsibility towards the environment and their stakeholders (employees, partners, and customers, ...).

The Sub-Fund shall invest at least 75% of its assets in shares of companies which have their registered offices located within the European Economic Area.

Within this framework, the Sub-Fund shall invest:
predominantly and dynamically in Eurozone equities;
up to a limit of 25% of its total assets in shares of companies qualifying as *small caps*.

The Sub-Fund will also be authorised to invest up to 25% of its net assets in money market instruments or debt securities (including eligible securities pursuant to Article 41 of the Law of 2010, such as tradable debt securities and Euro Medium Term Notes ("EMTN")) and all other types of eligible bonds or money market securities.

Furthermore, the Sub-Fund may also invest up to 10% of its net assets in UCI units or shares.

Investment strategy

Extra-financial strategy

The Sub-Fund will employ a "Best-in-Universe" extra-financial investment strategy that prioritises, within the investment universe, the best-rated issuers from an **extra-financial** perspective, regardless of their **activity sector**.

The selection process for ESG securities is therefore based on the collection of extra-financial information about the securities in the Sub-Fund's investment universe. In order to enable this ESG integration, ESG analysis is based on the collection, cross-referencing and appropriation of qualitative and quantitative extra-financial information from multiple sources to allow for original hedging:

- the Extra-Financial Performance Report (EFPR) published by the companies in question;
- meetings with issuers, management and stakeholders (NGOs, unions, study reports, etc.);
- the reports and analyses of brokers and extra-financial rating agencies.

Through a "proprietary" extra-financial filter, European companies are rated according to their impact on the Company. That is, both individually on the stakeholders essential to the economic development of the company (consumers / customers, employees, suppliers, etc.) and collectively on the general interest (local communities, environment, public interest, etc.).

More specifically, as part of the "Best-in-Universe" approach, the following **ESG** criteria will be taken into account:

The **Environmental criterion** focuses on: the provision of eco-responsible solutions, the impact of the value chain on the environment, etc.

The **Social and Societal criterion** focuses on: the turnover rate, the attractiveness of the employer brand and the recruitment policy, the distribution of value within the workforce, staff training, etc.

The **Governance criterion** focuses on: the operation and effectiveness of the appointments/remuneration committee, the diversity of the composition of the Board, etc.

To this end, the Management Company's ESG expertise unit attributes extra financial scores to issuers, called **Active®** scores, using a proprietary filter, in order to identify the companies within the investment universe with positive societal impact.

The indicators selected as part of the Active® filter are leading indicators of future growth. They help to qualify the sustainability of future growth and therefore the visibility and quality of the company's business model.

An issuer's Active® score is the average of two major extra-financial components: an "individual" or "social" score and a "community" or "societal" score.

The **"Individuals"** score is an aggregation of advanced criteria (*health & well-being, employment, training, diversity, human rights, security, collective agreements, controversy etc.*) taking account of the stakeholders who participate in the economic and social sphere of the company. This score is based on several indicators (*corporate governance, employees, customers or consumers, suppliers and subcontractors, shareholders, competitors and partners, etc.*).

The **"Community"** score is an aggregation of advanced criteria (*natural resources, business ethics, green mobility, whistleblower, circular economy, emission reduction, controversy, etc.*) relating to the ecosystem surrounding the company and the way in which the company interacts with its "external" stakeholders. This concerns in particular the public and social sphere in terms of its social responsibility (*public authorities: territorial and local communities, public interest etc., environment and civil society: associations, NGOs, experts, citizens, etc.*)

The extra-financial analysis results in an Active® 5-step (*quintiles*) ESG score from A (*best score*) to E (*worst score*). Companies that are not in the "E" quintile but have a negative Active® score are still likely to be subject to further quantitative analysis, particularly through shareholder engagement.

The Sub-Fund's investment universe excludes issuers with the worst Active® score (*the "E" score*), which thus makes it possible to establish a list of securities in which the Manager may invest. The use of this selection process results in a 20% reduction in issuers in the investment universe with an Active® score.

In addition to the "Best-in-Universe" filter, a further filter is applied for issuers with an Active® score of less than 0 on a scale from -2 to +2.

Accordingly, any company belonging to the first four quintiles of the **Best-in-Universe** filter, but with an Active® score of less than 0 on a scale from -2 to +2, will not be eligible for the portfolio.

This is in order to select companies with a positive societal impact from the eligible investment universe.

Active® scores may go up or down over time. They are reviewed at least every 12 months.

Under the law, companies involved in the production or distribution of anti-personnel mines and cluster munitions prohibited by the Ottawa and Oslo Conventions are also excluded.

Financial Management Strategy

The investment strategy involves the application of active management using an essentially *bottom-up* approach, supplemented by complementary *top-down* adjustments through the discretionary selection of companies with a positive social impact, companies offering above-average earnings prospects.

The bottom-up approach consists in studying the company's fundamentals.

Thus, the stock selection process will use qualitative criteria (*identification of growth drivers or catalysts, quality of management and teams, positioning of the company within its sector, sustainability of growth, identification of future value creation*) and quantitative criteria based on financial analysis of the companies (*organic growth of turnover and operating profitability, size of the addressable market and trend in market shares, quality of the financial structure [self-financing growth capacity, debt ratio and capacity to repay this debt, visibility of earnings growth, etc.]*).

Beyond the 2 previously predefined filters (Active® scores level absolute filter and Best In Universe relative filter), ESG integration enables the manager to better qualify and evaluate the persistence, relevance and sustainability of growth and the competitive position of companies.

Use of derivatives

Within the limits set out in the prospectus, the Sub-Fund may use financial markets techniques and instruments for the purposes of the proper management of the portfolio or for hedging, within the limits set out by the investment restrictions.

The use of derivatives and embedded derivatives is limited to 100% of the Sub-Fund's net assets.

Financial guarantees (or collateral) and discount policy

The Sub-Fund will not receive any collateral securities, but will only receive cash collateral in the same reference currency as the Sub-Fund (in Euro) in order to reduce counterparty risk in the context of efficient portfolio management techniques and to neutralize the exchange rate risk between the reference currency of the Sub-Fund and that of the collateral cash received.

Type de collatéral	Devise	Niveau de valorisation
Cash	EUR	100%

The cash received as collateral will only be reinvested in money market funds from the Euro zone (as defined in the ESMA opinion dated 22 August 2014 (ESMA/2014/1103) on the review of the "CESR Guidelines on a Common Definition of European Money Market Funds (CESR/10-049)").

Reference currency of the Sub-fund - EUR

Risk profile of the Sub-fund Investors are alerted to the fact that investing in this Sub-Fund presents specific risks inherent to the various asset classes in which the Sub-Fund may invest or to which it may be exposed, and it shall be the responsibility of the investors to review the risks as more fully detailed in the Prospectus:
Risk arising from discretionary management style;
Risk of capital loss;
Credit risk;
Equities risk; and
Guarantee: The Fund's capital is not secured.

Risk management method *Commitment approach.*

Investor profile Investment horizon: > 5 years
 This Sub-fund is an investment vehicle intended for investors who:

- are interested in the financial markets;
- wish to invest in Eurozone equities;
- are willing to accept the strong fluctuations in rates and who therefore present low risk aversion.

SHARES AVAILABLE - SUBSCRIPTION AMOUNT

Classes	Minimum value of initial subscription *	Minimum value of subsequent subscriptions
Z shares**	EUR 50	None
R, F shares	EUR 50	None
I shares	EUR 1,000,000	None
M shares	EUR 40,000,000	None
S shares	EUR 300,000	None
MG shares***	EUR 1,000	None

* except for the management company, which may only take out one unit.

** individuals subscribing to the SICAV.

*** Class reserved for Mandarine Gestion and entities of its group

For F Shares: shares reserved for all investors and, in the context of subscription or distribution within the European Union, that are intended solely for:

Financial intermediaries who are not authorised, in virtue of the regulations applicable to them, to receive and/or hold on to any commissions or non-monetary benefits; or

Subscribers subscribing to portfolio management services on behalf of third parties (management by mandate) and/or independently provided investment consulting within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, within the European Union (the MIF2 Directive);

Distributors subscribing in the context of investment advice not considered to be independent within the meaning of Directive MIF2 on the basis of a contract with their customer, and/or where such a distributor neither receives nor holds on to any commission or other non-monetary benefit under Directive MIF2.

FEES PAYABLE BY THE SUBSCRIBER

The Distributor or the authorised distribution intermediaries may take the following maximum fees on Shares from the Sub-fund:

	Subscription fee	Redemption fee	Conversion fee
All categories of Shares	2% max	-	1% max

FEES AND COSTS CHARGED TO THE SUB-FUND

	Management fees*	Outperformance fee Performance fee	Custodian bank fees**	Services fee***
Z shares	2.20% max	15% of the outperformance over the Euro STOXX® Net Return (EUR)	0.10% max	0.50% max
R shares	2.20% max		0.10% max	0.50% max
F Shares	1.10% max		0.10% max	0.50% max
I shares	0.90% max		0.10% max	0.50% max
M shares	0.60% max		0.10% max	0.50% max
S shares	1.40% max		0.10% max	0.50% max
MG shares	0.90% max	N/A	0.10% max	0.50% max

Outperformance fee: The calculation period for the outperformance fee shall be the Sub-fund's financial year. However, the first calculation period shall begin on the date the first NAV is calculated and shall end on the last day of the current financial year. Each time the NAV is determined, the outperformance of the Sub-fund (the "Outperformance") shall be defined as the positive difference between the valuation of the Sub-fund prior to consideration of any provision for the outperformance fee and the valuation of a notional UCI achieving the performance of the benchmark and using the same set of subscriptions and purchases as the Sub-fund.

The benchmark used for this calculation will be the Euro STOXX® Net Return (EUR) index. For Share Classes denominated in currencies other than the euro and not subject to currency hedging, the performance of the benchmark will be taken in the denomination currency of the class.

Every time the NAV is established, the outperformance fee, defined as 15% (including taxes) of the out performance, is subject to a provision or a recovery of provisions within the limits of the existing appropriation.

The outperformance fee, calculated on each fiscal year, has a "highwater mark" principle according to which such a provision may only be booked on condition that the NAV, after taking into account a provision (in full or in part) for the outperformance fee, is greater than the Sub-fund's NAV at the beginning of the financial year. In the event of redemptions, the share of the outperformance fee corresponding to the redeemed Shares is collected by the Management Company. Excluding redemptions, the outperformance fee shall be collected by the Management Company on the last day of the financial year.

* Management fee payable monthly and based on the average net assets of the Sub-fund during the month in question. The payment is due in the following month.

** Custodian Bank fees payable quarterly, based on the average net assets of the Sub-fund during the respective quarter, subject to a minimum of no more than EUR 6,000 p.a.

***Services fee payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 25,000 p.a.

Other costs and fees The Sub-fund shall also pay other operating costs. Details of these costs are outlined in Article 30 of the Articles of Association.

TAXATION SYSTEM

Taxation of the SICAV The SICAV is not subject to Luxembourg tax on its income, profits or capital gains or to Luxembourg wealth tax.

However, the SICAV is subject to a subscription tax at an annual rate of 0.05% per annum, in principle, calculated and payable quarterly based on the net assets of the SICAV (or of each Sub-Fund in respect of each relevant Class) on the last day of each quarter. However, a reduced annual rate of 0.01% or a total exemption will be applicable depending on the circumstances.

For further information, please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.

Taxation of Shareholders Please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus. Shareholders are advised to seek advice from their tax consultant regarding the laws and regulations in force in their country of origin and residence.

German Investors: this Sub-Fund is an "Aktiensfonds"
French investors: this Sub-Fund is eligible for PEA (Equity Savings Plans).

SALE OF SHARES

Subscription, redemption and conversion Subscription, redemption and conversion orders received in Luxembourg before 1 p.m. on a valuation day (the "**Valuation Day**") will be deducted on the basis of the NAV calculated by reference to the Valuation Day by applying the charges provided for in the prospectus. Subscriptions and redemptions must be paid up no later than two working days following the applicable valuation day.

Share type/class Shares in this Sub-fund are capitalisation or distribution Shares.
Shares are issued in dematerialised in registered form.
Fractions of up to one ten thousandth of a Share may be issued.

Valuation Day Each bank business day in Luxembourg by reference to which the NAV is calculated, in the event of closure, the NAV will be calculated based on the following bank business day.

Value date for subscriptions and redemptions Within 2 business days of the applicable NAV.

Publication of the NAV NAVs can be consulted at the registered office of the SICAV.

CONTACTS

Subscriptions, redemptions and conversions BNP Paribas Securities Services - Luxembourg Branch

Request for documentation BNP Paribas Securities Services - Luxembourg Branch
Tel.: + 352 26.96.20.30

The Prospectus, KIIDs and annual and half-yearly reports may be obtained free of charge from the registered office of BNP Paribas securities – Luxembourg Branch.

MANDARINE OPTIMAL VALUE

Sub-Fund of **Mandarine Funds**,
a variable capital investment company (hereinafter referred to as the “**SICAV**”) under Luxembourg law

OVERVIEW OF THE SICAV

Date of incorporation	03 March 2010
Country of registration	Luxembourg
Legal form	SICAV with multiple sub-funds
Duration	Unlimited
Management Company	MANDARINE GESTION SA
Custodian	BNP Paribas Securities Services, Luxembourg Branch
Central administration	BNP Paribas Securities Services, Luxembourg Branch
Statutory Auditor	DELOITTE AUDIT
Supervisory authority	COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER, Luxembourg

OVERVIEW OF THE SUB-FUND

ISIN code	Class Z shares: LU2052460453 F Shares: LU2052460537 Class R shares: LU2052460610 Class I shares: LU2052460701 Class M shares: LU2052460883 Class MG shares: LU2052460966
Listing on Luxembourg stock exchange	The Sub-fund’s Shares may be listed on the Luxembourg Stock Exchange if so decided by the Board of Directors of the SICAV.

INVESTMENT POLICY

Investment objective	The Mandarine Optimal Value sub-fund (the “ Sub-fund ”) aims to provide investors with long-term capital growth arising from a diversified portfolio whose transferable securities are actively managed and to achieve performance higher than that of the EURO STOXX® Large (Net Return) (EUR) index (the “ Index ”) over the recommended investment duration.
Reference index (Benchmark)	EURO STOXX® Large (Net Return) EUR ISIN: CH0009041788 Bloomberg Ticker: LCXT Index This Index is one of the benchmarks for large capitalisation issuers on Eurozone markets.

The Index is denominated in euros. The performance of the Index is expressed as reinvested dividends.

For further information on the characteristics and composition of this Index, please consult the website of the Index Producer (www.stoxx.com).

However, the Sub-Fund's objective is not to reproduce the performance of this index in any manner. It makes its investments based on criteria that could result in significant variations compared to the performance and composition of this Index. Investments in companies are made on the basis of weightings that are not based on the relative weighting of each company in the Index.

Investment policy of the Sub-Fund

The Sub-Fund shall invest at least 75% of its assets in shares of companies which have their registered offices located within the European Economic Area.

Within this framework, the Sub-Fund shall invest:

- predominantly and dynamically in Eurozone equities;
- up to a limit of 25% of its total assets in shares of companies qualifying as *small caps*.

The Sub-Fund will also be authorised to invest up to 25% of its net assets in money market instruments or debt securities (including eligible securities pursuant to Article 41 of the Law of 2010, such as tradable debt securities and Euro Medium Term Notes ("EMTN")) and all other types of eligible bonds or money market securities.

Furthermore, the Sub-Fund may also invest up to 10% of its net assets in UCI units.

The Sub-Fund adopts a management style called "Value", the analyzes carried out making it possible to determine the industrial value of the company and seeking to anticipate a reduction in the measured discount (economic value higher than the market price).

The investment strategy aims to select ("stock-picking" approach), in the investment universe made up of eurozone stocks, the best-rated securities through a quantitative filter built on 3 pillars, while limiting sectoral bias relative to the benchmark (sector-neutral approach).

- The first pillar of analysis is based on valuation, focusing on and the profitability of companies, allowing the determination of a potential theoretical revaluation (relatively to the historical average).
- The second pillar focuses on financial dynamics, represented by changes in financial estimates (earnings per share, cash flow, dividends per share), what we call the "financial momentum".
- The third pillar focuses on extra-financial dynamics, analyzed from the ESG of each of the companies in our investment universe and its evolution, what we call the "extra-financial momentum".

The addition of these 3 independent pillars makes it possible to define within each sector the securities which, according to the manager, present the best profile both in terms of valuation and financial and extra-financial dynamics with a view to optimizing the couple "risk / return".

The values of each sector with the highest ratings are the subject of a thorough qualitative and fundamental analysis (quality of management, competitive position, capital and balance sheet situation, creation of social and societal value, etc.) allowing managers to select the securities in the portfolio, limiting sectoral biases as much as possible.

Use of derivatives

Within the limits set out in the prospectus, the Sub-Fund may use financial markets techniques and instruments for the purposes of the proper management of the portfolio or for hedging, within the limits set out by the investment restrictions.

The use of derivatives and embedded derivatives is limited to 100% of the Sub-Fund's net assets.

Financial guarantees (or collateral) and discount policy

The Sub-Fund will not receive securities as collateral, but will only receive cash collateral in euros to reduce counterparty risk in the context of effective portfolio management techniques.

Type de collatéral	Devise	Niveau de valorisation
Cash	EUR	100%

The cash received as collateral will only be reinvested in money market funds (as defined in the ESMA opinion dated 22 August 2014 (ESMA/2014/1103) on the review of the "CESR Guidelines on a Common Definition of European Money Market Funds (CESR/10-049)").

Reference currency of the Sub-fund

EUR

Risk profile of the Sub-fund

Investors are alerted to the fact that investing in this Sub-Fund presents specific risks inherent to the various asset classes in which the Sub-Fund may invest or to which it may be exposed, and it shall be the responsibility of the investors to review the risks as more fully detailed in the Prospectus:
Risk arising from discretionary management style;
Risk of capital loss;
Credit risk;
Equities risk; and
Guarantee: The Fund's capital is not secured.

Risk management method

Commitment approach.

Investor profile

Investment horizon: > 5 years

This Sub-fund is an investment vehicle intended for investors who:

are interested in the financial markets;

wish to invest in Eurozone equities;

are willing to accept the strong fluctuations in rates and who therefore present low risk aversion.

SHARES AVAILABLE - SUBSCRIPTION AMOUNT

Classes	Minimum value of initial subscription *	Minimum value of subsequent subscriptions
Z shares**	EUR 50	None
R, F shares	EUR 50	None
I shares	EUR 1,000,000	None
M shares	EUR 40,000,000	None
MG shares***	EUR 1,000	None

* except for the management company, which may only take out one unit.

** individuals subscribing to the SICAV.

*** Class reserved for Mandarine Gestion and entities of its group

For F Shares: shares reserved for all investors and, in the context of subscription or distribution within the European Union, that are intended solely for:

Financial intermediaries who are not authorised, in virtue of the regulations applicable to them, to receive and/or hold on to any commissions or non-monetary benefits; or

Subscribers subscribing to portfolio management services on behalf of third parties (management by mandate) and/or independently provided investment consulting within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, within the European Union (the MIF2 Directive);

Distributors subscribing in the context of investment advice not considered to be independent within the meaning of Directive MIF2 on the basis of a contract with their customer, and/or where such a distributor neither receives nor holds on to any commission or other non-monetary benefit under Directive MIF2.

FEES PAYABLE BY THE SUBSCRIBER

The Distributor or the authorised distribution intermediaries may take the following maximum fees on Shares from the Sub-fund:

	Subscription fee	Redemption fee	Conversion fee
All categories of Shares	2% max	-	1% max

FEES AND COSTS CHARGED TO THE SUB-FUND

	Management fees*	Outperformance fee Performance fee	Custodian fees**	bank	Services fee***
Z shares	2.20% max	15% of the outperformance over the EURO STOXX® Large (Net Return) EUR	0.10% max		0.50% max
R shares	2.20% max		0.10% max		0.50% max
F Shares	1.10% max		0.10% max		0.50% max
I shares	0.90% max		0.10% max		0.50% max

	Management fees*	Outperformance fee Performance fee	Custodian fees**	bank	Services fee***
M shares	0.60% max		0.10% max		0.50% max
MG shares	0.90% max	N/A	0.10% max		0.50% max

Outperformance fee: The outperformance fee is a variable fee.

Each time the NAV is determined, the outperformance of the Sub-Fund (the “**Outperformance**”) shall be defined as the positive difference between the valuation of the Sub-Fund prior to consideration of any provision for the outperformance fee and the valuation of a notional UCI achieving the performance of the benchmark and using the same set of subscriptions and purchases as the Sub-Fund.

The benchmark used for this calculation will be the EURO STOXX® Large Net Return EUR index.

For Share Classes denominated in currencies other than the euro and not subject to currency hedging, the performance of the benchmark will be taken in the denomination currency of the class.

Every time the NAV is established, the outperformance fee, defined as 15% (including taxes) of the out performance, is subject to a provision or a recovery of provisions within the limits of the existing appropriation.

This outperformance fee, calculated each financial year, in principle has a "high-water mark": in the event of underperformance over the financial year, the observation period is extended by one financial year and the outperformance fee is then calculated over an accumulation of the two financial years.

Thus, at the end of the financial year:

- If the asset valued from the Fund is higher than that of the asset of the notional Sub-Fund, the provision is collected by the manager (this provision will represent 15% of the difference between these two assets) and a new observation period of one year will begin. The level of the notional Sub-Fund asset chosen for the new observation period will then be readjusted to the level of the asset valued by the Sub-Fund.

- If the asset valued by the Sub-Fund is lower than that of the notional Sub-Fund, no provision is noted and the observation period continues for an additional year, keeping the initial level of the benchmark asset.

At the end of this two-year observation period:

(i)if the asset valued by the Sub-Fund is higher than that of the notional Sub-Fund, the provision will then be collected by the Management Company;

(ii)otherwise, no provision will be taken.

The level of the asset from the notional Sub-Fund will in both cases (see: (i) and (ii)) be automatically readjusted to the level of the asset valued by the Sub-Fund (after taking all of part of a provision, if applicable) and a new observation period of one financial year will begin.

In the event of redemptions over the period, the share of the constituted provision corresponding to the number of Shares redeemed will be definitively acquired and taken by the Management Company.

* Management fee payable monthly and based on the average net assets of the Sub-fund during the month in question. The payment is due in the following month.

** Custodian Bank fees payable quarterly, based on the average net assets of the Sub-fund during the respective quarter, subject to a minimum of no more than EUR 6,000 p.a.

***Services fee payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 25,000 p.a.

Other costs and fees The Sub-fund shall also pay other operating costs. Details of these costs are outlined in Article 30 of the Articles of Association.

TAXATION SYSTEM**Taxation of the SICAV**

The SICAV is not subject to Luxembourg tax on its income, profits or capital gains or to Luxembourg wealth tax.

However, the SICAV is subject to a subscription tax at an annual rate of 0.05% per annum, in principle, calculated and payable quarterly based on the net assets of the SICAV (or of each Sub-Fund in respect of each relevant Class) on the last day of each quarter. However, a reduced annual rate of 0.01% or a total exemption will be applicable depending on the circumstances.

For further information, please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.

Taxation of Shareholders

Please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.

Shareholders are advised to seek advice from their tax consultant regarding the laws and regulations in force in their country of origin and residence.

German Investors: this Sub-Fund is an "Aktiensfonds"

French investors: this Sub-Fund is eligible for PEA (Equity Savings Plans).

SALE OF SHARES**Subscription, redemption and conversion**

Subscription, redemption and conversion orders received in Luxembourg before 1 p.m. on a valuation day (the "**Valuation Day**") will be deducted on the basis of the NAV calculated by reference to the Valuation Day by applying the charges provided for in the prospectus. Subscriptions and redemptions must be paid up no later than two working days following the applicable valuation day.

Share type/class

Shares in this Sub-fund are capitalisation or distribution Shares.

Shares are issued in dematerialised in registered form.

Fractions of up to one ten thousandth of a Share may be issued.

Valuation Day

Each bank business day in Luxembourg by reference to which the NAV is calculated, in the event of closure, the NAV will be calculated based on the following bank business day.

Value date for subscriptions and redemptions

Within 2 working days following the applicable NAV

Publication of the NAV

NAVs can be consulted at the registered office of the SICAV.

CONTACTS**Subscriptions, redemptions and conversions**

BNP Paribas Securities Services - Luxembourg Branch

Request for documentation

BNP Paribas Securities Services - Luxembourg Branch

Tel.: + 352 26.96.20.30

The Prospectus, KIIDs and annual and half-yearly reports may be obtained free of charge from the registered office of BNP Paribas securities – Luxembourg Branch.