E.T.H.I.C.A.

Prospectus

Date of authorisation: 1 April 2008
Date of publication: 30 May 2023

Allianz Global Investors

Important Information

Investment restrictions applicable to "US Persons"

The Fund is not and will not be registered in the United States of America pursuant to the United States Investment Company Act of 1940 as amended. Units in the Fund have not been and will not be registered in the United States of America pursuant to the United States Securities Act of 1933 as amended (the "Securities Act") or pursuant to the securities laws of any state of the United States of America. Those units made available in connection with this offering may not be directly or indirectly offered or sold in the United States of America or to or on behalf of any US Person as defined in Rule 902 of Regulation S applied pursuant to the Securities Act. Potential unitholders are required to declare that they are not a US Person and are not applying for units for the benefit of any US Person nor acquiring units with the intent to sell them to a US Person. Should a unitholder become a US Person, they may be subject to current US withholding taxes and tax reporting.

"US Person"

A "US Person" is defined as any person from the United States within the meaning of Rule 902 of Regulation S under the Securities Act of 1933 (the "Securities Act"), as the definition of such term may be changed by legislation, rules or regulations or by judicial or administrative interpretations.

A US Person from the United States denotes, without limitation: i. any natural person resident in the United States; ii. any partnership or corporation organised or incorporated under the laws of the United States; iii. any estate of which any executor or administrator is a US Person; iv. any trust of which the trustee is a US Person; v. any agency or affiliate of a foreign entity located in the United States; vi. any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary administrator for the benefit or on behalf of a US Person; vii. any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary administrator organised, incorporated or, if an individual, resident in the United States; and viii. any partnership or corporation if: (1) it is organised or incorporated under the laws of any foreign jurisdiction; and (2) formed by a US Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned, by accredited investors who are not natural persons, estates or trusts.

US Tax Withholding and Reporting under FATCA

The Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act ("FATCA") generally impose a US federal reporting and withholding tax regime with respect to certain income (including income, dividends and interest) and gross proceeds from the sale or other disposal of property of US origin. The rules are designed to require US Persons' direct and indirect ownership of certain non-US accounts and non-US entities to be reported to the US Internal Revenue Service. The Fund may be required to withhold tax in respect of non-compliant unitholders at the rate of 30% if there is a failure to provide certain items of required information. These rules generally apply to certain payments made after 1 July 2014.

France has entered into an intergovernmental agreement (IGA) with the United States of America. Under the IGA, FATCA compliance will be enforced under new tax legislation and reporting rules and practices applicable in France.

The Fund will likely require additional information from unitholders in order to comply with these provisions. Each prospective unitholder should consult their own tax adviser on the applicable requirements under FATCA. The Fund may disclose information, certifications or other documentation that it receives from (or concerning) its investors to the US Internal Revenue Service, non-US tax authorities, or other parties as necessary to comply with FATCA, related intergovernmental agreements or other applicable laws or regulations. Prospective investors are invited to consult their tax adviser regarding the applicability of FATCA and any other reporting requirements with respect to the investors' own situations.

In light of the provisions of EU Regulation No. 833/2014, subscription to units/shares of this Fund is prohibited to any Russian or Belarusian national, to any natural person who is resident in Russia or Belarus or to any legal person, entity or body established in Russia or Belarus, except nationals of a Member State and natural persons holding a temporary or permanent residence permit in a Member State.

E.T.H.I.C.A.

PROSPECTUS

UCITS governed by European Directive 2009/65/EC

I - GENERAL CHARACTERISTICS

Name of the UCI

E.T.H.I.C.A.

Legal form and member state in which the UCI was incorporated

French mutual fund (Fonds commun de placement – FCP)

Launch date and scheduled term

Launch date: 1 April 2008
Scheduled term: 99 years

Summary of the management offer

Units	ISIN Code	Allocation of distributable income amounts	Base currency	Minimum subscription amount	Minimum initial subscription	Target subscribers	Splitting of units	Initial Net Asset Value
IC	FR0010597336	Accumulation	EUR	None	€ 100,000.00	Intended for professional investors and/or any subscriber, and more specifically for dioceses of the Catholic Church	Thousandths	€ 20,000.00
MC	FR0013428141	Accumulation	EUR	None	1 unit	Only for investors subscribing via Authorized Distributors[1]	Thousandths	€ 100.00
RC2	FR0013428158	Accumulation	EUR	None	1 unit	All subscribers	Thousandths	€ 100.00

[1] Shares of "Share Classes M" may only be acquired with the consent of the Management Company and in addition only by such distributors which according to regulatory requirements or based on individual fee arrangements with their clients are not allowed to accept and keep trail commissions. No trail commissions may be paid to any sales partners in relation to Share Classes "M".

Address from which the latest annual report and interim financial statement may be obtained

The UCI prospectus and the latest annual and interim reports, as well as the composition of assets, will be sent to unitholders within eight business days of receipt of a written request addressed to:
Allianz Global Investors GmbH
Bockenheimer Landstrasse 42–44
D-60323 Frankfurt-am-Main, Germany

or to Allianz Global Investors, Succursale
Française, 3 boulevard des Italiens, 75002
Paris, France Email: asset@allianzgi.com
These documents can also be downloaded from the website at https://fr.allianzgi.com.

Additional information may be obtained if required by sending a request to:
Allianz Global Investors GmbH
Bockenheimer Landstrasse 42–44
D-60323 Frankfurt-am-Main, Germany

or to Allianz Global Investors, Succursale
Française Département
Marketing/Communication
3 boulevard des Italiens, 75002 Paris,
France Email: asset@allianzgi.com

II - SERVICE PROVIDERS

Portfolio management company

Name: Allianz Global Investors GmbH
Legal form: Private limited liability company (Gesellschaft mit beschränkter Haftung) under
German law Registered office: Bockenheimer Landstrasse 42–44, D-60323 Frankfurt-am-Main, Germany
Activity: Portfolio management company approved by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin), Marie-Curie-Str. 24–28, D-60439 Frankfurt-am-Main, Germany

Custodian and depositary

Name: Société Générale
Legal form: Private Limited Liability Company (Société
Anonyme) Registered office: 29 boulevard Haussmann, 75009
Paris, France Postal address: 75886 Paris Cedex 18
Activity: Credit institution authorized by the French Prudential Control and Resolution Authority (Autorité de Contrôle Prudentiel et de Résolution, ACPR)

The custodian performs the duties of depositary, and custodian of the assets in the portfolio and is the registrar of the Fund's units.

The Custodian performs the duties for which it is responsible by virtue of applicable legal and regulatory provisions and those contractually entrusted to it by the Management Company. It performs the duties of depositary and custodian of the assets in the portfolio and is responsible, by delegation of the Fund represented by the Management Company, for centralising subscription and redemption orders and is the registrar of the Fund's units; it ensures that the decisions taken by the Management Company are lawful. If necessary, it will take any protective measures it considers appropriate. It will inform the French Financial Markets Authority (AMF) of any disputes with the Management Company.

Description of the Custodian's responsibilities and potential conflicts of interest

The Custodian exercises three types of responsibility: checks as to the regular nature of the Management Company's decisions, monitoring the UCITS' cash flows, and custody of the Fund's assets, respectively.

The primary objective of the Depositary is to protect the interests of the Fund's unitholders/investors.

Potential conflicts of interest may be identified, specifically in the event that the Management Company also maintains commercial relations with Société Générale alongside its appointment as a Custodian (this may occur when Société Générale calculates, by delegation from the Management Company, the net asset value of the UCITS of which Société Générale is the Custodian or where there is a group link between the Management Company and the Custodian).

To manage these situations, the Custodian has implemented and maintains a policy to manage conflicts of interest in order to:
- identify and analyze situations of potential conflicts of interest

- record the management and monitoring of situations of conflicts of interest by:

  (i) using as a basis the 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;

  (ii) implementing on a case-by-case basis:

    a) appropriate preventive measures such as the drafting of an ad hoc monitoring list, new Chinese walls or by checking that transactions are processed appropriately and/or by informing the customers concerned;

    b) or by refusing to manage activities that may give rise to conflicts of interest.

<u>Descriptions of any safekeeping tasks delegated by the Custodian, list of delegates and sub-delegates and identification of any conflicts of interest that may result from such delegations</u>

The Custodian is responsible for the custody of the assets (as set out in Article 22.5 of Directive 2009/65/EC and amended by Directive 2014/91/EU). In order to offer services related to the custody of assets in a large number of countries and to enable UCITS funds to achieve their investment objective, the Custodian has appointed sub-custodians in countries where the Custodian would not have a local presence directly. These entities are listed on the following website:
http://www.securitiesservices.societegenerale.com/uploads/tx_bisgnews/Global_list_of_sub_custodians_for_SGSS_2016_05. pdf

In accordance with Article 22a (2) of the UCITS V Directive, the process of appointing and supervising sub-custodians follows the highest quality standards, including the management of potential conflicts of interest when such designations are made. The Custodian has established an effective policy for the identification, prevention and management of conflicts of interest in accordance with national and international regulations, as well as international standards.

The delegation of the Custodian's custody duties may give rise to conflicts of interest. These have been identified and are monitored. The policy implemented in respect of the Custodian consists of a system that prevents the occurrence of conflicts of interest and allows the Custodian to carry out its duties in a manner by way of which it always acts in the best interests of the UCITS. These preventive measures consist specifically of ensuring the confidentiality of information exchanged, physically separating the main activities likely to give rise to conflicts of interest.

Delegated administrative and accounting manager

Name: Société Générale
Legal form: Private Limited Liability Company (Société Anonyme) Registered office: 29 boulevard Haussmann, 75009 Paris, France Postal address: 75886 Paris Cedex 18, France
SIREN: 434 483 913

Statutory Auditor

Name: PricewaterhouseCoopers Audit (PwC)
Registered office: 63 rue de Villiers, 92200 Neuilly-sur-Seine, France Signatory: Mr Amaury Couplez

Distributor

Allianz Global Investors and/or companies in the Allianz Group

Advisers

None

Clearing house delegated by the UCI represented by the Management Company

Name: Société Générale

Legal form: Private Limited Liability Company (Société
Anonyme) Registered office: 29 boulevard Haussmann, 75009
Paris, France Postal address: 75886 Paris Cedex 18, France
Activity: Credit institution authorized by the French Prudential Supervision and Resolution Authority (Autorité de Contrôle Prudentiel et de Résolution, ACPR)
Order clearing
and Registrar: Securities and Stock Market Department, Société Générale, 32, rue du Champ de Tir, 44000 Nantes, France

Société Générale is in charge of liability accounting, specifically for receiving subscription and redemption orders.

III – OPERATING AND MANAGEMENT PROCEDURES

III.1 GENERAL CHARACTERISTICS

Characteristics of units

Each unitholder is entitled to joint ownership of the UCI's assets in proportion to the number of units held:
- The units are recorded in a register in the name of the subscribers' account-holding establishments on their behalf;
- No voting right is attached to the units, as the decisions are taken by the Management Company;
- The units may be subscribed in bearer form;
- The register of unitholders is kept by Euroclear.

End of the financial year

Financial year end: Last net asset value of December
First financial year end: 31 December 2008

Information on the taxation system where appropriate

The Fund may be eligible as a unit of account in a life insurance policy. The Fund is eligible for the Plan d'Epargne en Actions (PEA) [Equity Savings Plan].

The Fund is not subject to corporation tax. However, capital gains or losses are taxable when remitted to unitholders.

Nevertheless, the tax authority considers switching from one share class to another to be a sale followed by a subscription, which is therefore subject to the taxation of capital gains on securities.

The tax regime applicable to these latent or realized capital gains or losses depends on the tax provisions applicable to the investor's financial situation and/or the jurisdiction in which the Fund is invested; if investors are unsure of their tax situation, they should contact an adviser or other professional.

III.2 SPECIAL PROVISIONS

Classification

Eurozone equities

Management objective

The Fund's management objective is to achieve medium- and long-term performance by investing in shares of companies that satisfy the following ethical criteria: Respect for human rights and the right to life, and promotion of peace, respect for fundamental labour rights, development of social and employment progress, protection of the environment, compliance with the market's rules of operation and compliance with the rules of good governance. These criteria will be taken into account in addition to traditional financial criteria, such as growth in the results or valuations of the companies concerned, with the aim of building a portfolio that offers the best possible pairing of ethical principles and financial qualities.

Benchmark index

The Fund is actively managed.

The index, EURO STOXX 50 TOTAL RETURN (NET) IN EUR, is used ex post as a performance comparison indicator.

We are therefore free to select the securities that make up the portfolio in accordance with the management strategy and investment constraints.

This index is not in line with the environmental and social characteristics promoted by the fund.
The Management Company has written plans on file defining the measures to be taken if an index, or a benchmark index, changes significantly or is no longer provided. These written plans are available upon request, free of charge, from the registered office of the Company, or that of the Management Company.

Investment strategy

The investment universe consists of the securities that make up the MSCI Europe Investable Market Index (IMI), excluding those with a market capitalisation of less than €1 billion, i.e. approximately 950 stocks representing large, medium and small capitalisation companies in 15 developed countries in Europe.
The UCI, known as "E.T.H.I.C.A.", is a European equity fund based on the ethical guidelines of the Catholic Church.
The main source of added value in the management of the Fund is the active picking of stocks of companies that offer the best possible combination of ethical guidelines and financial qualities.
In terms of SRI, our investment philosophy corresponds to a positive sector selection approach ("best-in-class" approach) and an avoidance approach specific to ethical investment. The choice of best practice in terms of sustainable development involves adding further complementary filters into the "traditional" financial analysis of the securities represented in the investment universe.

These additional filters will ensure that only securities meeting the following ethical criteria are selected: Respect for human rights, life and the promotion of peace, respect for fundamental labour rights, development of social progress and employment growth, environmental conservation, compliance with market operating rules and respect for good governance rules.
Geographically, the UCI is mainly exposed to its domestic market consisting of the equity markets of Eurozone countries. Within its domestic market, the UCI's exposure to the Eurozone will be up to 80%, therefore allowing for a maximum of 20% diversification, including a maximum of 10% exposure outside the Eurozone.
The selected diversification countries are: Denmark and/or Sweden, which may account for up to 20% of the UCI's assets, and the United Kingdom, Switzerland, Iceland and/or Norway, which, as they are not part of the Eurozone, may only account for up to 10% of the UCI's assets.
The UCI's exposure to equity risk is between 85% and 100%.
The UCI may therefore be exposed to up to 20% of currency risk, even though this risk may not exceed 10% for currencies other than those of the Eurozone or Eurozone countries.
At least 75% of the UCI is always invested in PEA-eligible securities.
The UCI may also invest in small and mid-cap securities, as well as micro-cap securities. Investment in these securities is limited to 20% of its net assets.
The UCI may not hold units of other UCIs in its assets, with the exception of a maximum of 10% of pure cash UCIs.

1 Fundamental analysis

Fundamental analysis is the cornerstone of idea creation at Allianz Global Investors. The manager identifies new investment ideas from multiple sources using significant internal resources, as well as external resources.

The fundamental analysis is conducted at the company level to assess companies' sustainable competitive advantages and internal dynamics throughout the economic cycle:

- an attractive and coherent business model;

- clean growth dynamics uncorrelated with the economic cycle;
- leading or niche positioning with strong know-how;
- certain qualitative aspects such as the brand, innovation (R&D) or non-financial risk management (ESG);
- a reliable management team with a background of high-quality results.

Financial analysis takes all the drivers of value creation into account:

- ability to create economic profitability: growth rates, margin levels, asset turnover, capital required to generate growth;
- risks to economic profitability: ability to finance growth, balanced balance sheet, access to finance, cost of capital employed;
- sustainability of economic profitability: market structure, Porter's model.

We look for attractive valuations after taking our long-term risk analysis into account:

- opportunity for future growth based on current market conditions;
- risk premium that incorporates ESG issues (long-term risks);
- fair value measurement: DCF, cash-based valuation method, net asset value, sum of units.

This selection of securities is part of a traditional financial analysis based on fundamental analysis, assessment and identification of securities.
The fundamental analysis involves assessing each security in both absolute and relative terms within its sector. It is based on a medium-term analysis of the strategy, market, growth potential, financing structure and ability to generate profits of each security analysed.

Assessment aims to quantify the potential rise in value of each security and to identify stock market trends favourable to investment.

Identification aims to establish the profile of a security based on its adherence to a particular style, its level of risk relative to the market and its sensitivity to various macroeconomic and stock market factors (company size, liquidity of the security, interest rates, exchange rates etc.).
The weighting and number of securities in the UCI's portfolio are determined by an analysis of the optimal diversification of the specific risk for an objective level of return and in the context of structural guidelines, such as the overall budget for relative risk, the style, the level of risk relative to the market (or beta) and the thematic biases (sectors and countries). The decision on the addition or arbitrage of a security within the UCI's portfolio is assessed as much on the basis of its impact on the portfolio's risk and its profitability as on its specific characteristics.

<u>2 - Active selection of ethical securities from the French Bishops' Conference (Conférence des Evêques de France --- CEF)</u>

The Fund's investment principles are based on the active selection of securities ("stock picking").

This non-financial analysis covers at least 90% of the net assets (excluding ancillary cash and cash equivalents). The universe is further refined through the integration of an exclusions list that takes into account some of the criteria belonging to the six ethical guidelines defined by the CEF (Conférence des évêques de France — bishops' conference of France) — the ethical guidelines for the financial management of Church assets developed and approved by the CEF. All of these ethical criteria will also be incorporated into the definition of the SRI rating of securities. Within the investment universe, a minimum of 20% is considered non-investable based on the quantitative SRI analysis. These securities are rated in different internal and external databases and are then harmonised on a graduated scale from 0 to 4. Of the rated securities, the Fund invests at least 90% of its assets in securities with a rating greater than or equal to 2 (0 being the lowest rating and 4 being the highest rating). The portfolio must have an average SRI rating of at least 2.

The six ethical guidelines defined by the CEF are as follows:
- Respect for human rights, life and the promotion of peace,
- Respect for fundamental labour rights,
- Development of social progress and employment growth,
- Environmental conservation,
- Compliance with market operating rules,
- Respect for good governance rules.

These correspond to the following five SRI areas covered by the non-financial analysis:
- Human rights: this criterion is assessed based on the issuer's commitment to respecting human rights when conducting its activities.
- Environment: the assessment of securities based on the environmental strategy applied by the issuer.
- Social: the evaluation of social initiatives put in place by the issuer.
- Governance: the issuer's willingness and capacity to organise its own structure in a way that limits the risks of malfunctions are considered within the analysis.
- Market behaviour: an analysis of the issuer's relations with stakeholders (customers, suppliers, local authorities, etc.) and the security of its products (this criterion does not apply to securities issued by the United States).

AllianzGI uses data from third party providers as part of its ESG research, which may result in certain limitations with regard to the reliability of the data.

The assessment of the company's socially responsible behaviour is thus integrated with the fundamental and strategic analysis of the securities, which remains the basis for the selection of securities within the portfolios and allows the risk/return profile of traditional management to be maintained.

The Fund applies the Allianz Global Investors Exclusion Policy in areas such as controversial weapons and coal for directly held securities. Details of the exclusion criteria applied are available on our website: https://regulatory.allianzgi.com/ESG/Exclusion_Policy

In addition, the Fund also applies the Allianz Global Investors minimum exclusions list for funds that take into account environmental and social characteristics for directly held securities. Details of the exclusion criteria are available on our website: https://regulatory.allianzgi.com/en/esg/sri-exclusions.

The Fund does not have an SRI label.

The Fund promotes environmental and social characteristics and therefore discloses relevant information in accordance with Article 8(1) of the European Sustainable Finance Disclosure Regulation (EU) 2019/2088 (SFDR).
The Fund carries a sustainability risk within the meaning of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (referred to as the "Disclosure Regulation") as defined in the risk profile in the prospectus.

When applying its investment strategy, the Management Company considers, as part of its auditing process, all relevant financial risks, including all relevant sustainability risks that could have a significant negative impact on the return of an investment, in its investment decision, and evaluates them on an ongoing basis.

In addition, the Management Company takes into account the sustainability-related PAI indicators in the same way as described above as part of its investment process. Further details can be found in the Management Company's statement on the principal adverse impacts on sustainability available on the website: www.allianzglobalinvestors.com.

Information on environmental and social characteristics is available in the annex to this prospectus in accordance with the Delegated Regulation (EU) of 6 April 2022 supplementing the SFDR.

Organization of strategies

As part of the management of the Fund, the main source of added value comes from the active selection of securities from companies that offer the best possible combination of societal and financial qualities.

Equity management decisions are also based on the Central Macroeconomic Scenario and market forecasts of Allianz Global Investors for 3 and 12 months, as well as on the Strategy Committees below:

- Weekly "Alpha" Committee: Fundamental analysis of securities
  In-depth analysis of portfolio securities using the latest market data and potential impacts of volatility, including SRI and controversy analyses.
- Quarterly Market Committee:
  Analysis of market cycles and investment themes and their potential impact on the portfolio.
- Monthly Performance and Risk Committee
  Monthly review of the portfolio's risk/return profile, in-depth analysis of risk factors and portfolio performance.

Assets used

Equities and similar securities (85 - 110% of its assets, a maximum of 110% of which may be in direct securities)

The Fund may be invested directly in equities or similar securities in eurozone companies.

Other geographical investment areas:
- Denmark
- Iceland
- Norway
- United Kingdom
- Sweden
- Switzerland

The Fund may be invested in listed companies classified as:
☑ Large-caps
☑ Mid-caps
☑ Small-caps
☑ Micro-caps

The Fund will not invest in unlisted companies.

Specific remarks:
- a minimum of 75% of the Fund's assets are permanently composed of eurozone equities.

The Fund may be exposed to currency risk on 20% of its "Equity" portfolio.

Mutual funds and investment funds (0 - 10% maximum of net assets)

- ☐ Holdings in UCIs of any type
- ☑ Cash UCIs
- ☑ UCITS governed by French law
- ☑ European-law UCITS funds
- ☑ British-law AIFs
- ☐ French-law AIFs complying with the criteria set out in the French Monetary and Financial Code
- ☐ Foreign-law AIFs complying with the criteria set out in the French Monetary and Financial Code
- ☐ Foreign-law investment funds complying with the criteria set out in the French Monetary and Financial Code
- ☐ Trackers/ETFs

The manager may invest in UCIs managed by the Management Company and/or by Allianz Group entities.

Cash borrowings

N/A

Deposits

Limited to 100% of net assets.

Risk profile

"Your money will be invested primarily in financial instruments selected by the Management Company. These instruments will be subject to market trends and risks. "

The UCI does not offer any guarantees, and the capital invested may not be fully recouped due to market fluctuations.

The extent of these fluctuations can be measured by a simple indicator: volatility.

Volatility is an indicator allowing the average magnitude of a UCI's performance to be quantified through observation of its past performance. As such, and as an example, the volatility of a money market portfolio is less than that of a bond portfolio, which in turn presents less volatility than an equity portfolio.

This concept of volatility reflects both the UCI's upward and downward performance potential. Thus, the higher its volatility, the greater its ability to generate performance and, conversely, the greater its risk of incurring higher losses.

This volatility can be broken down by risk factor. These factors are also sources of added value, in which the portfolio invests in order to generate performance. From among all the risk factors/added value at their disposal, our management teams endeavour to manage their risk budget at all times by prioritising sources that are the subject of strong convictions. The main risk factors to which this UCI may be exposed are outlined below.

Risk associated with the equity market

Since the Fund may invest directly or indirectly in shares, changes in its value are linked to changes in the valuation of the Equities investment universe. For example, if the price of the shares in the portfolio falls, the net asset value of the Fund's units will be reduced.

The Fund's minimum degree of exposure to equity market risk will be 85%.

Risk associated with the choice of individual shares

In addition to exposure to equity markets and sector risk, transactions are made within the same sector on specific securities. This choice of securities is determined by the manager's confidence or lack of confidence in certain stocks. The decision to adopt an underweight or overweight position on a given security generates volatility in the portfolio, according to the volatility of each security.

Risk associated with investing in small- and mid-caps

The Fund's investments may include shares in small- and mid-cap companies; as fewer of these securities are traded, market trends both upwards and downwards can be more pronounced and can occur more quickly than those of large-cap companies. The Fund's net asset value may be similarly affected.

Up to 20% of the Fund's assets will be exposed to risk associated with investing in small-caps.

Geographical/sectoral risk

The equity markets comprise a very broad universe of securities. Within this universe, the portfolio may focus at its will on a given market segment, either in line with its universe/benchmark, where appropriate, or based on the expectations of our management teams. These segments may be linked to economic sectors, countries/geographic regions, the size of companies, return/growth strategy, and so on. Some segments are more volatile than others, and thus generate greater volatility in the portfolio's performance, while others are more defensive.

Currency risk

Changes in the exchange rate on securities issued in foreign currencies generate valuation differences that are independent of the fluctuations specific to each security in their currency. Thus, a security whose valuation in its currency does not change may however be affected by fluctuations of this currency against the euro. This exposure is taken into account in the choice of securities, and when the expectations for a given currency are unfavourable, its effects may be mitigated by the use of forward currency instruments.

Up to 20% of the Fund's assets will be exposed to currency risk.

Specific Risks (risks linked to specific features of the management strategy of the Fund within its class)

The UCI focuses on companies that apply best practices in their sector in regard to sustainable development. Among Eurozone equity UCIs, this specialisation and the absence of a directly relevant benchmark involves a specific exposure to sector risk.

Risk linked to negative interest rates

The Fund's liquidities lodged with the Custodian or other banks may be subject to the application, by the Custodian or other banks, of negative interest rates according to market trends and specifically, changes in the interest-rate policy of the European Central Bank. These negative interest rates may then have a negative impact on the net asset value of the Fund.

Sustainability risk

There is systematic research evidence that sustainability risks may materialize as issuer specific extreme loss-risks.
An event or situation in the environmental, social or governance domains that, if to occur, could have a high financial impact and result in significant financial losses.

Guarantee or protection

None

Target subscribers and standard investor profile

The UCI comprises three unit classes.
The "I" unit is intended for professional investors and/or any subscriber, and more specifically for dioceses of the Catholic Church.

The UCI's risk profile makes it suitable for subscription by unitholders seeking exposure to:
- Market risk of equities in Eurozone countries respecting the ethical criteria of the Catholic

Church The "M" unit is intended for investors who subscribe through authorised

distributors.

"M" shares may only be subscribed with the approval of the Management Company and only by distributors who, in compliance with regulatory obligations or individual fee agreements with their clients, are not permitted to accept and retain retrocession fees. No retrocession fees may be paid to distributors holding "M" shares.

The "R" unit is intended for all subscribers.

Minimum recommended investment term: 5

years.

E.T.H.I.C.A. is aimed at investors who pursue the objective of general capital appreciation/asset optimisation and/or above- average participation in price changes. It may not be suitable for investors who wish to withdraw their capital from the fund within a short timeframe. E.T.H.I.C.A. is aimed at investors with basic knowledge and/or experience of financial products.
Prospective investors should be capable of bearing a financial loss and should not attach any importance to capital protection. In terms of risk assessment, the Fund is classified as falling into a certain category of risk on a scale ranging from 1 (cautious; expected yields very low to low) to 7 (high tolerance to risk; higher expected yields), which is published on the website https:// regulatory.allianzgi.com and which will be included in the Key Investor Information Document published for the unit/share class in question (depending on the structure of the Fund/SICAV).

For private individuals, the amount that it is reasonable to invest in this Fund depends on your specific situation. In order to determine this, you must take into account your personal wealth/assets, your current and future needs as well as your desire to take risks or, on the contrary, to invest more cautiously. It is also highly recommended to diversify your investments sufficiently so as not to expose them solely to the risks of this Fund.

Subscription of units of the Fund is only permitted to investors who do not have the status of "US Person" as defined in the US federal securities regulations.

The units have not been, nor will they be, registered under the US Securities Act of 1933 (hereafter "the Act of 1933"), or under any applicable law in a US state, and the units cannot be directly or indirectly divested, offered or sold in the United States of America (including its territories and possessions) to any US national (hereafter "US Person"), as defined by the US "Regulation S" in the context of the Act of 1933 adopted by the US market regulatory authority ("Securities and Exchange Commission" or "SEC"), unless (i) a registration of the units were to take place or (ii) an exemption was applicable (with prior consent of the Fund management company).

The Fund is not, nor will it be, registered under the US Investment Company Act of 1940. Any resale or divestiture of units in the United States of America or to a US Person may constitute a breach of US law and require prior written consent of the Fund management company. Those seeking to acquire or subscribe units will have to certify in writing that they are not US Persons.

The Fund Management Company has the authority to impose restrictions (i) on the holding of units by a US Person and thus effect the mandatory redemption of the units held, and (ii) on the transfer of units to a "US Person". This authority also extends to any person (a) who is deemed to be directly or indirectly in breach of the laws and regulations of any country or any government authority, or (b) who could, in the opinion of the Fund management company, cause harm to the Fund that it would not otherwise have suffered or endured.

The unit offer has not been authorised or rejected by the SEC, a specialist committee of a US state or any other US regulatory authority, nor have these authorities pronounced or sanctioned the merits of this offer, or the accuracy or adequacy of the documents pertaining to it. Any affirmation in this regard is against the law.

All unitholders must immediately inform the Fund in the event that they should become a US Person. Any unitholder who becomes a US Person will no longer be authorised to acquire new units and may be asked to dispose of their units at any time in favour of non-US Persons. The Fund management company reserves the right to carry out a compulsory redemption of any unit held directly or indirectly by a US Person, or if the holding of units by any person whatsoever is contrary to the law or the interests of the Fund.
The definition of "US Person(s)" as defined by Regulation S of the SEC (Part 230 – 17 CFR 230.903) is available at: http://www. sec.gov/about/laws/secrulesregs.htm

Determination and allocation of distributable income and frequency of distribution and/or accumulation

Unit class	Allocation of profits	Allocation of realised net capital gains	Frequency
IC	Accumulation	Accumulation	Annual accumulation
MC	Accumulation	Accumulation	Annual accumulation

RC2	Accumulation	Accumulation	Annual accumulation

Characteristics of the units or shares

Units	ISIN Code	Allocation of distributable income amounts	Base currency	Minimum subscription amount	Minimum initial subscription	Target subscribers	Splitting of units	Initial Net Asset Value
IC	FR0010597336	Accumulation	EUR	None	€ 100,000.00	Intended for professional investors and/or any subscriber, and more specifically for dioceses of the Catholic Church	Thousandths	€ 20,000.00
MC	FR0013428141	Accumulation	EUR	None	1 unit	Only for investors subscribing via Authorized Distributors[1]	Thousandths	€ 100.00
RC2	FR0013428158	Accumulation	EUR	None	1 unit	All subscribers	Thousandths	€ 100.00

[1] Shares of "Share Classes M" may only be acquired with the consent of the Management Company and in addition only by such distributors which according to regulatory requirements or based on individual fee arrangements with their clients are not allowed to accept and keep trail commissions. No trail commissions may be paid to any sales partners in relation to Share Classes "M".

Subscription and redemption procedures

Subscriptions and redemptions are processed daily at 12:00 on the basis of the net asset value for that day. In the event of suspension of the net asset value, orders are executed based on the net asset value for the next business day. Subscriptions/ redemptions will be settled with the clearing house on D+1.

Subscription and redemption orders are processed with the clearing house: Société Générale,
Département des titres et de la bourse [Securities and stock market department]
32 Rue du Champ de Tir, 44000 Nantes, France

D	D	D: day the NAV is set	D+1 business day	D+1 working day	D+1 working day
Daily clearing of subscription orders up to 12.30 p.m.*	Daily clearing of redemption orders up to 12.30 p.m.	Execution of the order at the latest on D	Publication of the net asset value	Settlement of subscriptions	Settlement of redemptions

* Unless any specific deadlines have been agreed with your financial institution

End of the financial year

Financial year end: Last net asset value of December
First financial year end: 31 December 2008

Date and frequency of calculation of the net asset value

The net asset value is calculated daily. The net asset value for the day is calculated on the following working day in accordance with the asset valuation method set out in the prospectus. It is published in Paris with the exception of non-trading days on the Paris stock exchange and official public holidays in France.

Place and method of publication or communication of the net asset value

It is published on the website of the French branch:

https://fr.allianzgi.com

Charges and fees

IC units

Subscription and redemption fees:

Subscription fees increase the subscription price paid by the investor, while redemption fees decrease the redemption price. Fees paid to the UCI are used to compensate the UCI for the expenses incurred in the investment or divestment of the UCI's assets.
Fees that are not paid are accrued by the Management Company, the distributor, etc.

Charges borne by the investor, collected at the time of subscription or redemption	Basis	Rate scale
Subscription fee not accruing to the UCI	NAV × number of units	None
Subscription fee accruing to the UCI	NAV × number of units	None
Redemption fee not accruing to the UCI	NAV × number of units	None
Redemption fee accruing to the UCI	NAV × number of units	None

Fees charged to the UCI:

Fees cover all fees charged to the UCI, with the exception of intermediary fees:
- financial management fees paid to the Management Company;
- administrative charges external to the Management Company;
- maximum indirect fees (management fees and charges).

In addition, the following fees may be charged:
- performance fees. These reward the Management Company when the UCI exceeds its performance objective;
- transaction fees,
- fees related to temporary purchases and sales of securities.

For further information on the fees actually charged to the UCI, please refer to the KIID (if applicable) or the annual report.

	Fees charged to the Fund:	Basis	Maximum scale/rate
1	Financial Management fees and external administrative fees	Net assets	Maximum 0.40% including VAT
2	Maximum indirect fees (fees and management fees)	Net assets	Not significant*
3	Service providers charging transfer fees : the depositary	Charge on each transaction	Maximum €300 including VAT
4	Performance fee	Net assets	None

MC units

Subscription and redemption fees:

Subscription fees increase the subscription price paid by the investor, while redemption fees decrease the redemption price. Fees paid to the UCI are used to compensate the UCI for the expenses incurred in the investment or divestment of the UCI's assets.
Fees that are not paid are accrued by the Management Company, the distributor, etc.

Charges borne by the investor, collected at the time of subscription or redemption	Basis	Rate scale
Subscription fee not accruing to the UCI	NAV × number of units	None
Subscription fee accruing to the UCI	NAV × number of units	None
Redemption fee not accruing to the UCI	NAV × number of units	None
Redemption fee accruing to the UCI	NAV × number of units	None

Fees charged to the UCI:

Fees cover all fees charged to the UCI, with the exception of intermediary fees:
- financial management fees paid to the Management Company;
- administrative charges external to the Management Company;
- maximum indirect fees (management fees and charges).

In addition, the following fees may be charged:
- performance fees. These reward the Management Company when the UCI exceeds its performance objective;
- transaction fees,
- fees related to temporary purchases and sales of securities.

For further information on the fees actually charged to the UCI, please refer to the KIID (if applicable) or the annual report.

	Fees charged to the Fund:	Basis	Maximum scale/rate
1	Financial Management fees and external administrative fees	Net assets	Maximum 0.90% including VAT
2	Maximum indirect fees (fees and management fees)	Net assets	Not significant*
3	Service providers charging transfer fees : the depositary	Charge on each transaction	Maximum €300 including VAT
4	Performance fee	Net assets	None

RC2 units

Subscription and redemption fees:

Subscription fees increase the subscription price paid by the investor, while redemption fees decrease the redemption price. Fees paid to the UCI are used to compensate the UCI for the expenses incurred in the investment or divestment of the UCI's assets.
Fees that are not paid are accrued by the Management Company, the distributor, etc.

Charges borne by the investor, collected at the time of subscription or redemption	Basis	Rate scale
Subscription fee not accruing to the UCI	NAV × number of units	None
Subscription fee accruing to the UCI	NAV × number of units	None
Redemption fee not accruing to the UCI	NAV × number of units	None
Redemption fee accruing to the UCI	NAV × number of units	None

Fees charged to the UCI:

Fees cover all fees charged to the UCI, with the exception of intermediary fees:
- financial management fees paid to the Management Company;
- administrative charges external to the Management Company;
- maximum indirect fees (management fees and charges).

In addition, the following fees may be charged:
- performance fees. These reward the Management Company when the UCI exceeds its performance objective;
- transaction fees,
- fees related to temporary purchases and sales of securities.

For further information on the fees actually charged to the UCI, please refer to the KIID (if applicable) or the annual report.

	Fees charged to the Fund:	Basis	Maximum scale/rate
1	Financial Management fees and external administrative fees	Net assets	Maximum 1.50% including VAT
2	Maximum indirect fees (fees and management fees)	Net assets	Not significant*
3	Service providers charging transfer fees : the depositary	Charge on each transaction	Maximum €300 including VAT
4	Performance fee	Net assets	None

In addition to the fees set out above, the UCI may also be charged the following:
- any exceptional and non-recurring taxes, levies, duties and government fees or charges associated with the UCI;
- any exceptional legal costs associated with debt recovery;
- any exceptional and non-recurring costs associated with debt recovery or legal action to enforce a right (e.g. class action proceedings).

Transaction fees applicable to the Fund

Purchase/sale of shares, bonds or negotiable debt securities
Fees (including correspondent fees) are between €5 and €50 excl. VAT (fixed per transaction), depending on the depository, and apply to bearer and registered securities.

Fund subscriptions/redemptions
Fees are between €1.5 and €150 excl. VAT, depending on the type of fund (SG domiciled, SG non-domiciled, foreign, offshore).

OTC contracts and listed derivatives

Fees are between €2 and €50 excl. VAT, depending on the depository of the underlying or the type of contract.

Managers of companies that form part of Allianz Global Investors are required to conduct their financial market transactions with intermediaries and counterparties selected according to a procedure consistent with the recommendations of the French Asset Management Association (AFG). This selection procedure is applied periodically under the supervision of the Management and Internal Control Department.
Compliance with the lists of intermediaries and eligible counterparties is verified by staff independent of the managers.

Brief description of the intermediary selection procedure

An intermediary selection and evaluation procedure has been set up within the Management Company and/or the delegated financial manager. This procedure takes into account objective criteria such as the quality of research, trade monitoring and execution.

The procedure is available on request from Allianz Global Investors at: servclients@allianzgi.com.

IV - COMMERCIAL INFORMATION

Address from which the latest annual report and interim financial statement may be obtained

The UCI prospectus and the latest annual and interim reports will be sent to unitholders within eight business days of receipt of a written request addressed to:
Allianz Global Investors GmbH Bockenheimer Landstrasse
42–44 D-60323 Frankfurt-am-Main, Germany

or to Allianz Global Investors, Succursale Française, 3 boulevard des Italiens, 75002 Paris,
France Email: asset@allianzgi.com
These documents can also be downloaded from the website at https://fr.allianzgi.com.

Additional information may be obtained if required by sending a request to: Allianz Global Investors GmbH
Bockenheimer Landstrasse 42–44
D-60323 Frankfurt-am-Main, Germany

or to Allianz Global Investors, Succursale
Française Département
Marketing/Communication
1 boulevard des Italiens, 75002 Paris,
France Email: asset@allianzgi.com

Information on the environmental, social and governance (ESG) criteria will be available on the Management Company website and in the annual report of the UCI.

V - INVESTMENT RULES

The UCI will comply with the investment rules established under ordinary law and referred to in the French Monetary and Financial Code.

VI - GLOBAL RISK

The selected method for assessing exposure through forward financial instruments is the commitment calculation method.

VII - ASSET VALUATION RULES

VII.1 LEGISLATION APPLIED

The UCI has complied with the accounting rules prescribed by Comité de la réglementation comptable (Accounting Regulatory Committee) Regulation No. 2014-01 of 14 January 2014 relating to the chart of accounts of undertakings for collective investment (UCIs).

VII.2 VALUATION AND ACCOUNTING METHODS

VALUATION METHODS

Net asset value is calculated taking into account the valuation methods set out below.

Financial instruments and forward financial instruments traded on a regulated market

Equities and equivalent securities

Equities and equivalent securities traded on a French or foreign regulated market are valued on the basis of the day's closing price or the last known closing price, regardless of where they are listed.

Units or shares of UCIs or investment funds

Fund units or investments funds traded on a regulated market are valued on the basis of the day's closing price or at the last known price.

Financial instruments and forward financial instruments not traded on a regulated market

Equities and equivalent securities

Equities and equivalent securities are valued at their current value.

Units or shares of UCIs or investment funds

Units or shares of UCIs or investment funds are valued based on the last known net asset value.

Currency futures

Receivables for the forward purchases of currencies and liabilities for the forward sales of currencies are valued at the forward rate on the valuation date.

Credit derivatives

Credit default swaps (CDS) are valued at their current value. In accordance with the principle of prudence, these valuations are adjusted according to the counterparty risk.

Deposits and Loans

Term deposits

Term deposits are valued at their contractual value, calculated according to the conditions set out in the contract. In accordance with the principle of prudence, the valuation is adjusted for counterparty default risk.

Assets and liabilities in foreign currencies

The reference currency for accounting purposes is the Euro.

Assets and liabilities denominated in a currency other than the accounting reference currency are valued at the exchange rate in Paris on the day.

ACCOUNTING METHODS

Accounting method for recording income from deposits and fixed-income instruments: Recorded on the income statement as and when acquired.
Recording of acquisition and disposal costs attached to financial instruments: Portfolio transactions are recorded at the acquisition or disposal price, excluding costs.

VIII – REMUNERATION

The main components of financial remuneration are the base salary, which generally reflects the scope, responsibilities and experience required for a given role, and a variable portion, awarded annually on a discretionary basis. Generally speaking, the variable component includes both an annual bonus, paid in cash at the end of the financial period in question, and a deferred component for all employees whose variable component exceeds a given threshold.

The total amount of variable remuneration payable within the Management Company depends on the company's performance and the risk situation of the Management Company. It therefore varies from year to year. In this respect, the allocation of specific amounts to employees depends on the performance of the employee or the employee's department over the relevant period.

The level of remuneration granted to employees is linked to both quantitative and qualitative performance indicators. The quantitative indicators are based on measurable objectives. Qualitative indicators, meanwhile, take account of actions that reflect the fundamental values of the Management Company, namely: excellence, passion, integrity and respect. Qualitative data specifically includes a comprehensive review for all employees.

As regards investment professionals, whose decisions are critical to providing our customers with positive results, quantitative indicators are based on sustainable investment performance. For portfolio managers in particular, the quantitative component is aligned with the benchmark indices of the customer portfolios they manage or the customer's stated investment result objectives, measured over periods of several years.

In terms of employees who have a direct relationship with customers, their objectives include customer satisfaction, which is measured independently.

The amounts ultimately distributed in connection with long-term profit-sharing premiums depend on the performance of the Management Company or the performance of certain funds over several years.

The remuneration of employees in managerial positions is not directly linked to the performance of the departments supervised by these employees.
In accordance with current rules, certain groups of employees are classified as "Identified Staff": members of management, risk takers and employees in controlling positions, as well as all employees whose total remuneration places them in the same remuneration category as members of management and risk takers whose activities have a significant impact on the risk profiles of the Management Company and the funds it manages.

Employees classified as Identified Staff are subject to additional standards relating to performance management, the form of variable compensation and the timing of payments.

Multi-year objectives and deferred portions of the variable component enable long-term measurement of performance. The performance of portfolio managers, in particular, is largely evaluated according to quantitative results associated with performance over several years.

For Identified Staff, a significant portion of the annual variable remuneration is deferred for three years, starting from a defined variable compensation threshold. 50% of the variable compensation (deferred and non-deferred) must consist of units or shares of funds managed by the Management Company or comparable instruments.

An ex-post risk adjustment enables explicit adjustments to be made to the performance evaluation and related remuneration of previous years, in order to prevent the accrual of all or part of the amount of a deferred remuneration award (malus), or the return of ownership of an amount of remuneration to the Management Company (clawback).

AllianzGI has a comprehensive risk reporting system, which covers both current and future risks of the Management Company's activities. Those risks that significantly exceed the Company's risk appetite are presented to the Management Company's Global Remuneration Committee, which then decides, as necessary, whether to adjust the total remuneration reserve.

The Management Company's current remuneration policy is set out in greater detail on the webpage at https://regulatory. allianzgi.com. This information includes a description of the methods used to calculate remuneration and the benefits granted to certain groups of employees, as well as details of the people in charge of allocation, specifically the members of the Remuneration Committee. Anyone wishing to obtain this information on paper may do so free of charge from the Management Company on request.

E.T.H.I.C.A.

REGULATIONS

I. ASSETS AND UNITS

Article 1 - Co-ownership units

The rights of co-owners are expressed as units, with each unit corresponding to the same fraction of the Fund's assets. Each unitholder has a shared ownership right in the assets of the Fund in proportion to the number of units held.
The term of the Fund is of 99 years starting from 01/04/2008 unless the Fund is wound up early or the extension detailed in these regulations applies.

Unit classes:
The features of the various unit classes and the eligibility conditions are set out in the Fund's prospectus.The various unit classes may:
- Have different income allocation rules (distribution or accumulation);
- Be denominated in different currencies;
- Incur different management fees;
- Incur different subscription and redemption fees;
- Have a different par value;
- Be systematically hedged against risk, in part or in full, as defined in the prospectus. This hedging is achieved using financial instruments that minimize the impact of hedging transactions on the other Fund unit classes;
- Be restricted to one or more marketing channels.

The Fund may combine or split the units.

The company's management body may decide to split units into fractions of units.
The provisions of the regulations governing the issue and redemption of units will apply to fractions of units, and their value will always be proportional to that of the unit they represent. Unless stated otherwise, all other provisions of the regulations relating to units will apply to fractions of units without any need to make a specific provision to that end.
Finally, the Company's management body may also decide, at its discretion, to split the units by issuing new units, which are allocated to unitholders in exchange for their existing units.

Article 2 - Minimum level of assets

Units may not be redeemed if the UCI's assets fall below €300,000; where net assets remain below that level for 30 days, the Management Company will take the necessary measures to liquidate the UCI in question or to perform one of the transactions listed in Article 411-16 of the AMF General Regulations (transfer of the UCI).

Article 3 - Issue and redemption of units

Units may be issued at any time at the request of unitholders, based on their net asset value plus any subscription fees if applicable. Subscriptions and redemptions will be settled under the conditions and according to the procedures defined in the prospectus.

Units of mutual funds may be admitted to an official listing in accordance with the regulations in force.
Subscriptions must be fully paid up on the net asset value calculation date. Payment may be made in cash and/or in the form of

a contribution of financial instruments. The Management Company has the right to refuse the securities offered, provided it informs the purchaser of its decision within seven days of their remittance. If accepted, contributed securities will be valued according to the rules set out in Article 4 and the subscription will take place based on the first net asset valuation following the acceptance of the securities concerned.
Redemptions are made exclusively in cash, unless the Fund is liquidated and unitholders have agreed to be reimbursed in securities. The Custodian will settle any redemptions within a maximum of five days following the unit valuation date.

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

Except in the event of an inheritance or an inter vivos gift, the disposal or transfer of units between unitholders, or from unitholders to a third party, will be considered a redemption followed by a subscription; if a third party is involved, the amount of the divestment or the transfer must, if applicable, be made up by the beneficiary in order to reach the minimum subscription level required by the prospectus.

In accordance with Article L. 214-8-7 of the French Monetary and Financial Code, in exceptional circumstances and when such action is required to protect the interests of unitholders, the Management Company may temporarily suspend the redemption of units by the Fund and the issue of new units.

Where the net assets of the Fund fall below the amount specified in the regulations, no units may be redeemed (in the relevant sub-fund, where applicable).

The Fund may apply minimum subscription requirements in accordance with the terms and conditions set out in the prospectus.

In accordance with the third paragraph of Article L. 214-8-7 of the French Monetary and Financial Code, the Fund may stop issuing units in the following cases:
- the UCI is intended for a maximum of 20 unitholders;
- the UCI is intended for a particular class of investors defined in the UCI's prospectus;
- in objective situations causing the Fund to be closed to new subscriptions such as: a maximum number of units or shares being issued, a maximum asset value being reached or expiry of a given subscription period. These objective situations are detailed in the UCI's prospectus.

The Fund's Management Company may limit or prevent any prohibited person or entity from holding units in the Fund (hereinafter referred to as a "Non-Eligible Person"). A Non-Eligible Person is a "US Person" as defined by Regulation S of the SEC (Part 230 – 17 CFR 230.903) and specified in the prospectus.

To this end, the Fund's Management Company may:
(i) refuse to issue any units if it deems that, as a result of such an issuance, these units would or could be held, directly or indirectly, by or on behalf of a Non-Eligible Person;
(ii) at any time, demand that a person or entity whose name appears on the register of the unitholders provide any information required, accompanied by a sworn statement, to allow it to establish whether the beneficial owner of the units or shares is a Non-Eligible Person; and
(iii) when it appears to the Management Company that a person or entity is (i) a Non-Eligible Person and, (ii) alone or jointly, is the beneficial owner of the units, it may compulsorily redeem all of the units held by such a [unitholder/shareholder] after a period of ten days, during which time, the beneficial owner of the units may make any relevant representations. The mandatory redemption will be based on the last known net asset value, plus, where appropriate, any fees and charges applicable, which will remain payable by the Non-Eligible Person.

(The definitions of a "US Person" or a "beneficial owner" are available at the following address:
http://www.sec.gov/about/laws/secrulesregs.htm.

Article 4 - Calculation of the net asset value

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

Contributions in kind may only consist of the securities, currencies or contracts eligible to form the UCI's assets; they are valued in accordance with the same valuation rules as for the calculation of the net asset value.

II. FUND OPERATIONS

Article 5 - The Management Company

The Fund is managed by the Management Company in accordance with the guidelines specified for the Fund. The Management Company acts in all circumstances on behalf of the unitholders and has sole voting rights attached to the securities included in the Fund.

Article 5a - Operating rules

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

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

Units may be listed for trading on a regulated market and/or multilateral trading facility in accordance with the current regulations. In instances where the Fund has a management objective based on an index and its units are admitted to trading on a regulated market, the Fund is required to have a system in place to ensure that the price of its units does not deviate significantly from its net asset value.

Article 6 - The Custodian

The Custodian performs the duties for which it is responsible by virtue of the applicable legal and regulatory provisions and those contractually entrusted to it by the Management Company. In particular, it must ensure that the decisions taken by the Portfolio Management Company are lawful. If necessary, it will take any protective measures it considers appropriate. It will inform the French Financial Markets Authority (AMF) of any disputes with the Management Company.

Article 7 - The Statutory Auditor

The Portfolio Management Company's governing body or executive board will appoint a Statutory Auditor for a term of six financial years, after obtaining the agreement of the AMF. The Statutory Auditor certifies that the financial statements are accurate and fair. The Statutory Auditor's mandate is renewable. The Statutory Auditor must promptly notify the AMF of any event or decision concerning the undertaking for collective investments in transferable securities that it discovers while performing its duties that is likely to:
1) Constitute a material breach of any laws or regulations that apply to the Fund and that may have a significant impact on its financial position, earnings or assets;
2) Have an adverse effect on operations or on the Fund's ability to continue as a going concern;
3) Result in the Statutory Auditor expressing a qualified opinion or refusing to certify the accounts.

The Statutory Auditor controls the valuation of the assets and the determination of the exchange ratios used in the event of a conversion, merger or demerger. The Statutory Auditor evaluates any contribution in kind for which it is responsible. It verifies the accuracy and composition of the assets and other information prior to publication. The Statutory Auditor's fees are determined by mutual agreement between the auditor and the board of directors or management board of the Portfolio Management Company on the basis of a schedule of work indicating all of the duties deemed necessary.
The Statutory Auditor certifies situations giving rise to the distribution of interim dividends.

Article 8 – Financial statements and management report

At the end of each financial year, the Management Company prepares summary financial statements and produces a report on the management of the Fund (and, where applicable, relating to each sub-fund) for that financial year.

The Management Company produces a list of the UCI's assets at least twice a year under the supervision of the Custodian.

The Management Company will make these documents available to unitholders within four months of the end of the financial year and will inform them of the amount of income to which they are entitled: these documents will either be sent by post at the express request of unitholders or be made available at the Management Company's premises.

III. PROCEDURES FOR ALLOCATING DISTRIBUTABLE INCOME

Article 9 – Allocation of distributable income

Distributable income comprises:

1) the net income plus any amounts carried forward, increased or reduced by the balance of income accruals. Net income for the financial year is equal to the amount of interest, arrears, dividends, premiums, instalments and attendance fees and all income from the securities comprising the portfolio, plus income from any sums temporarily available, less management fees and borrowing costs;

2) capital gains realised, net of costs, less any capital losses realised, net of costs, reported during the period, plus any net capital gains of the same nature reported during previous periods and not distributed or accumulated and reduced or increased by the balance of capital gains accruals.
The sums mentioned under 1) and 2) may be distributed, in whole or in part, independently of one another.

For each unit class, if necessary, the UCI may opt for one of the following:
- full accumulation: distributable income is fully capitalised;
- pure distribution: distributable income is partially or fully distributed within five months following the closure of the annual accounts with an option to distribute interim dividends during the financial year;
- for UCIs wishing to choose freely between accumulation and/or distribution, in part or in full, the Management Company will determine the amounts to be distributed each year, with an option to distribute interim dividends during the financial year.

The allocation terms and conditions applicable to distributable amounts are set out in the prospectus.

IV. MERGER – DEMERGER – DISSOLUTION – LIQUIDATION

Article 10 - Merger – Demerger

The Management Company may contribute all or part of the assets of the UCI to another UCI, or demerge the UCI into two or more other mutual funds.

These merger or demerger transactions can only be carried out after the unitholders have been advised of them. After each transaction, new certificates will be issued stating the number of units held by each unitholder.

The provisions of this article apply to each sub-fund.

Article 11 - Dissolution - Extension

If the Fund's assets remain below the minimum amount set in Article 2 for 30 days, the Management Company will notify the AMF and then either arrange a merger with another mutual fund or dissolve the Fund.
The Management Company may dissolve the Fund early; it will notify the unitholders of its decision and no subscription or redemption requests will be accepted after this date.
The Management Company may also dissolve the Fund in the event of a request to redeem all the units, if the Custodian ceases its activity and no other custodian has been appointed, or when the Fund's term expires, if it has not been extended.
The Management Company will advise the AMF by letter of the dissolution date and procedure agreed. It will then send the Statutory Auditor's report to the AMF.
The Management Company may decide to extend the Fund's term by agreement with the Custodian. This decision must be taken at least three months before the anticipated expiry of the Fund's term and must be communicated to unitholders and the AMF.

Article 12 – Liquidation

In the event of dissolution, the Management Company or the Custodian will assume the role of liquidator; failing that, the liquidator will be appointed by the court at the request of any interested party. To that end, they are vested with the broadest powers to sell the Fund's assets, pay any creditors and distribute the available balance among the unitholders in cash or as securities.
The Statutory Auditor and the Custodian will continue to perform their duties until the liquidation is complete.

V. DISPUTES

Article 13 - Jurisdiction - Election of domicile

Any disputes relating to the Fund arising during its term or at the time of its liquidation, either between the unitholders themselves or between the unitholders and the Management Company or the Custodian, are subject to the jurisdiction of the competent courts.