DISRUPTION FUND MASTER

UCITS governed by European Directive 2009/65/EC

Updated to 27 December 2022

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PROSPECTUS

DISRUPTION FUND MASTER

UCITS governed by European Directive 2009/65/EC

I. GENERAL CHARACTERISTICS

1. **Form of UCITS**
   French mutual fund (FCP) incorporated in France

2. **Name**: Disruption Fund Master

3. **Legal form and Member State of incorporation** : French fonds commun de placement (FCP) incorporated in France

4. **Date of creation and expected lifetime**: this mutual fund was created on 2 May 2022 for a term of 99 years.

5. **Summary of the management offer :**

Share	A	B	I	GI
Value of origin of the share	1,000 euros	1,000 euros	1,000 euros	1,000 euros
ISIN code	FR0014007W15	FR001400C858	FR0014007W31	FR0014007W49
Allocation of distributable sums	Capitalisation of net income and net realised capital gains	Capitalisation of net income and net realised capital gains	Capitalisation of net income and net realised capital gains	Capitalisation of net income and net realised capital gains
Currency of denomina tion	Euro	Euro	Euro	Euro
Subscribers concerned	Disruption Fund Alpha feeder fund (FR0012770154)	All subscribers	All subscribers, particularly investors institutional	All subscribers, particularly inst itutional investors
Minimum subscription amount initial (1)	20,000,000 euros	150,000 euros	1,000,000 euros	20,000,000 euros

(1) In 10/1000ths of shares for subsequent subscriptions.

5. Indication of where the latest annual and interim reports may be obtained: the latest annual and interim documents will be sent within one week on written request by the shareholder to :

Quadrille Capital
16, place de la Madeleine
75008 - Paris
Tel.: +33 1 79 74 23 40

Further explanations can be obtained if necessary from : Mr Jean-Edwin Rhea
Tel.: 01 79 74 23 40
E-mail: contact@quadrillecapital.com

II. STAKEHOLDERS

- **MANAGEMENT COMPANY**

QUADRILLE CAPITAL, (the "**Management Company**"), a simplified joint stock company with capital of 1,000,000 euros
16, place de la Madeleine - 75008 Paris
Portfolio management company approved by the Autorité des Marchés Financiers (the "**AMF"**) under number GP-07000013 dated 24/04/2007.

- **DEPOSITARY AND CUSTODIAN**

SOCIETE GENERALE, Société Anonyme
Credit institution created on 8 May 1864 by authorisation decree signed by Napoleon III
Registered office: 29, boulevard Haussmann - 75009 Paris
Postal address of the custodian function: 75886 Paris Cedex 18

The Fund's Custodian is Société Générale S.A., acting through its department "Securities Services" (the "Custodian"). Société Générale, whose registered office is located at 29, boulevard Haussmann in Paris (75009), registered with the Paris Trade and Companies Register under number 552 120 222, is an institution authorised by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and subject to the supervision of the Autorité des marchés financiers (AMF).
Description of the Custodian's responsibilities and potential conflicts of interest The Custodian has three types of responsibilities, namely to ensure that the management company's decisions are lawful, to monitor the Fund's cash flows and to hold the Fund's assets in safekeeping. The Custodian's primary objective is to protect the interests of the Fund's shareholders/investors. Potential conflicts of interest may be identified, particularly in cases where the Management Company also has a commercial relationship with Société Générale at the same time as its appointment as Custodian (which may be the case when Société Générale calculates, on behalf of the Management Company, the net asset value of UCITS for which Société Générale is the Custodian or when a group relationship exists between the Management Company and the Custodian). In order to manage these situations, the Custodian has implemented and updates a conflict of interest management policy with the following objectives: - Identifying and analysing potential conflicts of interest - Recording, managing and monitoring conflicts of interest by: (i) Building on 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, dedicated IT environments; (ii) Implementing on a case-by-case basis: (a) preventive and appropriate measures such as the creation of ad hoc monitoring lists, new Chinese walls or by verifying that transactions are handled appropriately and/or by informing the customers concerned (b) or by refusing to manage activities that could give rise to conflicts of interest.

Description of any custodian functions delegated by the Custodian, list of delegates and sub-delegates and identification of any conflicts of interest that may arise from such delegation The Custodian is responsible for the safekeeping of assets (as defined in Article 22.5 of Directive 2009/65/EC as amended by Directive 2014/91/EU). In order to offer asset custody services in a large number of countries and to enable UCITS to achieve their investment objectives, the Custodian has appointed sub-custodians in countries where the Custodian does not have a direct local presence. These entities are listed on the following website: www.securities- services.societegenerale.com/en/nous-connaitre/chiffres-cles/rapports-financiers/. In accordance with article 22a 2. of the UCITS V Directive, the process for appointing and supervising sub-custodians meets the highest quality standards, including the management of potential conflicts of interest that may arise in connection with such appointments. The Custodian has established an effective policy for identifying, preventing and managing conflicts of interest in accordance with national and international regulations and standards. The delegation of the Custodian's custodial functions may give rise to conflicts of interest. These have been identified and are monitored. The policy implemented by the Custodian consists of a system to prevent situations of conflict of interest from arising and to carry out its activities in such a way as to ensure that the Custodian always acts in the best interests of the UCITS. The preventive measures consist in particular of ensuring the confidentiality of information exchanged, physically separating the main activities likely to give rise to a conflict of interest, identifying and classifying remuneration and monetary and non-monetary benefits, and putting in place systems and procedures to prevent conflicts of interest.

gift and event policies. Updated information on the above points will be sent to investors on request.

- **STATUTORY AUDITOR**

KPMG, Nicolas Duval Arnould
Tour Eqho - 2 Avenue Gambetta - 92066 Paris La Défense

- **MARKETER**

QUADRILLE CAPITAL

- **CENTRALISING AGENT DELEGATED BY THE MANAGEMENT COMPANY**

SOCIETE GENERALE, Société anonyme
Credit institution created on 8 May 1864 by authorisation decree signed by Napoleon III
Registered office: 29, boulevard Haussmann - 75009 Paris
Postal address of the centralising agent by delegation: 32, rue du Champ de Tir - 44000 Nantes

- **DELEGATEE FOR ADMINISTRATIVE AND ACCOUNTING MANAGEMENT**

SOCIETE GENERALE
Registered office: 29 boulevard Haussmann - 75009 PARIS
Postal address: 189 rue d'Aubervilliers - 75886 PARIS Cedex 18 - France

Accounting management mainly consists of calculating net asset values. Administrative management consists mainly of assisting the Management Company with the legal monitoring of the fund.

III.OPERATING AND MANAGEMENT PROCEDURES

GENERAL CHARACTERISTICS

1. Share characteristics

Liability management :
The shares are entered in a register in the name of the institutions holding the subscribers' accounts on their behalf. The register is held by Euroclear France.

Nature of the right attached to the class of shares :
Each shareholder has a co-ownership right in the fund's net assets proportional to the number of shares held. of shares owned.

Voting rights :
As the Fund is a co-ownership of transferable securities, no voting rights are attached to the shares held. Decisions concerning the Fund are taken by the management company in the interests of the shareholders.

Form of shares :
The shares are bearer shares.

Decimalisation :
Shares may be split into ten thousandths of shares.

2. Balance sheet date

Last trading day in December First closing: 31 December 2022.

3. Information on the tax system

Distributions and any capital gains realised by the fund are subject to tax. The tax regime applicable to sums distributed by the fund and to unrealised or realised capital gains or losses depends on the tax provisions applicable to the investor's particular situation and/or those in force in the country in which the fund invests.

The investor's attention is specifically drawn to any information concerning his particular situation. If they are uncertain about their tax situation, they should consult a professional tax adviser.

Under the terms of US tax regulations known as FATCA (Foreign Account Tax Compliance Act), investors may be required to provide the UCI, the management company or their agent with information on their personal identity and place of residence (domicile and tax residence) in order to identify "US Persons" within the meaning of FATCA. This information may be sent to the US tax authorities via the French tax authorities. Any failure by investors to comply with this obligation could result in a flat-rate withholding tax of 30% being imposed on US-source financial flows. Notwithstanding the due diligence carried out by the management company in respect of FATCA, investors are advised to ensure that the financial intermediary they have used to invest in the Fund has Participating FFI status. For further information, investors should consult a tax adviser.

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II.1 - SPECIAL PROVISIONS

1. **<u>ISIN code</u>**

A share : FR0014007W15
B share : FR001400C858
I share : FR0014007W31
Part GI: FR0014007W49

2. **<u>Management objective</u>** :

Disruption Fund Master invests in technological innovation. More specifically, the manager identifies sectors of economic activity experiencing technological and/or structural disruptions that overturn the economic basis of a sector of activity. It invests in companies that initiate and contribute to these disruptions through innovation, creating a new market in all sectors of activity. The manager looks for leading, fast-growing companies with visionary management, while taking into account sustainability risks and Environmental, Social and Governance ("ESG") characteristics as part of its selection process.

Disruption Fund Master is managed on a discretionary basis with an active allocation policy on the international equity markets, with the aim of outperforming its benchmark MSCI World Total Net Return EUR index, net of management fees, over the recommended investment period (more than 5 years).

3. **<u>Benchmark</u>** :

Given the management policy focused on technological innovation and the asset class
In equities, the fund refers to the **MSCI World Net Total Return EUR** index.

The MSCI World Net Total Return EUR index (Bloomberg code: MSDEWIN Index) is representative of the world's largest capitalisations in industrialised countries and is calculated in euros, net dividends reinvested. This index, calculated by MSCI, is available at the following address: www.msci.com.

The administrator of these indices is MSCI Inc. The administrator of these benchmark indices is listed in the register of administrators and benchmark indices maintained by ESMA.

4. **<u>Investment strategy</u>** :

a) <u>Strategies used</u>

The management strategy is based on an active, discretionary approach. The Fund invests at least 90% of its assets in equities of issuers operating in the technology sector, a sector benefiting from growth and technological innovations creating a new market likely to compete with or even replace existing business models.

The manager seeks to invest in companies that develop and innovate in new technologies when they find commercial applications and undergo a phase of rapid adoption. Particular attention is paid to so-called mass adopters, with significant network effects and organic growth. Generally speaking, technological breakthroughs are those that give rise to new economic models and/or new social behaviours. These breakthroughs are often at a potential stage, awaiting a catalyst, sometimes with unforeseen economic, social or environmental repercussions. Some breakthroughs can destabilise a sector of activity without creating financial wealth for the initiator. That's why we look for companies pioneering new technologies and/or new business lines, with an eye to the future profitability of the business model.

Against this backdrop, the fund applies a rigorous, conviction-based management approach based on the following selection criteria:

- The first step is to identify the economic sectors and sub-sectors that are experiencing a technological and/or structural breakthrough;

- Secondly, the management team studies these disruptions and determines the value creation ('wealth creation') of new economic models and/or new social behaviours, as well as the sustainability and resilience of the sector opportsharey.
- Thirdly, within the sectors selected, the manager identifies the companies that are participating in and benefiting from these changes, and which the management company considers to be the leaders.
- Fourthly, binding extra-financial screening based on ESG criteria is applied to narrow down the investment universe.

This research is based on the Management Company's expertise, particularly in the industries in which it invests in *Venture Capital*, such as information technology, life sciences, consumer goods and renewable energy.

The companies selected undergo an in-depth financial and extra-financial analysis of accounting and extra-financial publications, public presentations and meetings with company directors. This rigorous process ensures the quality of investments.

At all times, the Fund will be exposed mainly directly :

- from 90% to 100% of the net assets in equities from OECD countries, from all sectors of activity and from all countries.
  all sizes of capitalisation ;
- up to 10% of its net assets in listed equities of companies registered in emerging countries outside the OECD (e.g. China, India, Latin America).
- up to 10% of net assets in Exchange Traded Notes (ETNs);
- up to 100% of the net assets to currency risk on non-euro currencies, mainly the US dollar.

To gain access to these markets or to specific management styles, the Fund may invest up to 10% in shares or shares of French and/or European UCITS, FIAs, foreign investment funds or Exchange Traded Funds (ETFs). These funds will also be used to manage the Fund's cash.

The Fund may invest in financial futures traded on French and foreign regulated or organised markets, via index futures or options, or over-the-counter forward currency transactions involving the currencies of OECD member countries (or countries participating in the European Economic Area). Financial futures contracts will be used on a discretionary basis to hedge all or part of the portfolio on the equity or currency markets and/or to gain exposure to the equity markets up to 100% of the net assets.

This strategy is implemented by investing at least 90% of its net assets in equities.
traded on international regulated markets.

The Fund is exposed to currency risk on the currencies of member countries up to 100% of net assets.
the OECD, in particular the US Dollar, the Canadian Dollar and the British Pound.

This currency risk may be hedged in whole or in part using forward foreign exchange transactions or currency futures (regulated or over-the-counter markets).

These transactions are carried out up to a maximum commitment of one time the assets of the UCITS.

b) <u>Non-financial characteristics</u>

Disruption Fund Master promotes ESG characteristics within the meaning of Article 8 of Regulation (EU) No 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability reporting in the financial services industry ("SFDR"), by applying exclusion and screening criteria but does not have sustainable investment as its objective (within the meaning of Article 9 SFDR). The Fund is subject to sustainability risk as defined below.

ESG approach implemented

Management seeks to select securities and issuers that combine growth potential, profitability and ESG characteristics likely to increase the endurance and sustainability of its activity.

Disruption Fund Master systematically integrates sustainability criteria into its financial management through a proprietary ESG analysis matrix (the "Matrix").

The following are examples of the indicators selected (non-exhaustive list):

- Environmental indicators: environmental policy, carbon impact and emissions, mix energy, biodiversity policy....
- Social indicators: staff turnover, accidents, training, workforce diversity, employee share ownership, collective agreements, workplace controversies, etc.
- Governance indicators: independence of the Board of Directors, skills and experience of the management team, checks and balances, diversity, social dialogue, reputation and ethical controversies, etc.

The Matrix is used to assign a rating out of a hundred to each issuer. This rating is determined by an internal methodology based on the following key principles:

- Environmental, social and governance criteria are equally weighted;
- The rating of the portfolio must be higher than the average rating of the reference universe;
- Each issuer must have a minimum ESG rating;
- Application of standard and sector exclusions ;
- A penalty is applied for controversies.

This ESG rating is binding. If :

- should the portfolio rating fall below the average for the reference universe, the portfolio composition will be adjusted to return to the minimum required;
- a company's ESG rating falls below the minimum required by the Management Company, the position in the issuer will be sold in the best interests of the holders.

The proportion of ESG-rated issuers in the Fund's equity portfolio will exceed 90% over time. Extra-financial ratings may rise or fall over time. The minimum rating is reviewed at least every 12 months. It may lead to investment or disinvestment decisions.

Applying this selection process results in a 20% reduction in the ESG investable universe.

The ESG investment strategy may lead to a sector bias in relation to both the investable universe and the Index.

Methodological limitations of the ESG approach :
See "ESG data risk" below.

<u>Information on Regulation (EU) 2020/852 "Taxonomy":</u>

In accordance with the Regulation on the establishment of a framework to promote sustainable investment, which establishes a classification system common to the European Union to identify economic activities considered to be sustainable, the investments underlying this Fund do not take into account the European Union's criteria for environmentally sustainable economic activities. Given the construction of the portfolio at this stage, the Fund is not committed to aligning with the criteria of the European taxonomy (Objectives of adaptation to climate change and Mitigation of climate change of the Taxonomy Regulation). The percentage of alignment with European taxonomy criteria is 0%.

<u>Principal adverse impacts (PAI) on sustainability factors :</u>

As Quadrille Capital is a management company with fewer than 500 employees, consideration of PAIs is voluntary. The management company is therefore not obliged to take negative sustainability impacts into account. Where the company chooses not to follow the provisions of the regulations, it is required to explain why implementation is not relevant at its level, in accordance with the "comply or explain" principle.

Consideration of the prioritisation of the negative impacts of these investments is not yet fully complete, and the data currently available does not allow us to ensure that the negative impacts on sustainability factors are fully taken into account. Quadrille Capital is therefore unable to measure the effects of these impacts at this stage. The decision as to whether the main negative impacts have been taken into account may be reviewed in the future.

c) <u>Assets (excluding embedded derivatives)</u>

- **Actions :**

The Fund invests at least 90% of its net assets in listed equities: it may invest up to 100% of its net assets in one or more OECD markets. It may also invest up to 10% of its net assets in listed equities of companies registered in emerging countries outside the OECD (e.g. China, India, Latin America). There is no predetermined geographical distribution of investments.

The fund may invest in securities of companies in all sectors benefiting from growth and technological innovation, creating a new market likely to compete with or even replace existing large-, mid- or small-cap business models.

- **Bond market securities and money market instruments :**

In order to optimise the management of the Fund, the Manager reserves the right to use the following methods up to 10% of net assets in ETNs (Exchange Traded Notes).

The Fund will not enter into a total return swap (TRS).

- **UCITS, FIAs governed by French and/or European law, or investment funds governed by French and/or European law or Exchange Traded Funds (ETFs) :**

In order to manage cash or gain access to specific markets or management styles (sectoral or geographical, etc.), the Fund may invest up to 10% of its assets in shares or units of funds, namely:
- French or European UCITS ;
- and/or AIFs governed by European law
- and/or in foreign investment funds mentioned in R.214-25, and meeting the conditions of article R.214-13 of the French Monetary and Financial Code.

These funds may be ETFs (Exchange Traded Funds).

d) Derivative financial instruments

The Fund reserves the right to trade on a discretionary basis in forward financial instruments traded on international regulated, organised and/or over-the-counter markets in order to hedge against equity or currency risk and/or expose the portfolio to equity market risk.

Derivatives may also be used to adjust the portfolio in the event of significant subscription/redemption movements.

Overall exposure (direct securities and forward instruments) may not exceed 100% of the net assets.

Nature of markets in which the Fund invests :
◆ Regulated ;
◆ Organised by ;
◆ By mutual agreement ;

Risks on which the manager wishes to intervene :
◆ Action ;
◇ Rates ;
◆ Change ;
◇ Credit ;
◇ Other risks (please specify) ;

Type of work: all operations must be limited to achieving the objective of management.
◆ Equity or currency hedging ;
◆ Equity exposure ;
◇ Refereeing ;
◇ Other types

Type of instruments used :
◆ Futures: on foreign exchange and equity indices ;
◆ Options: on shares ;

◇ Swaps: currency ;
◆ Forward foreign exchange: buying forward currencies, selling forward currencies ;
◇ Other (please specify) ;

e) Securities with embedded derivatives :

The fund does not use these instruments.

f) Deposits

The Fund may make deposits of up to 10% of its net assets with one or more credit institutions for a maximum period of twelve months. These deposits help to achieve the Fund's management objective by enabling it to manage cash.

g) Cash borrowings

The Fund may borrow cash. Although it is not intended to be a structural cash borrower, the Fund may temporarily find itself in a debit position due to transactions linked to its paid-in flows (ongoing investments and divestments, subscriptions/redemptions, etc.) up to 10% of the net assets.

h) Temporary acquisitions and sales of securities

The Fund does not intend to use temporary acquisitions of securities.

5. Risk profile :

Your money is mainly invested in financial instruments selected by the Management Company, based, where appropriate, on the recommendations of the Advisor. These instruments are sensitive to market trends and fluctuations.

Investors are exposed to the following risks:

- **Risk of capital loss:** investors are warned that the performance of the fund, which is not guaranteed, may not be in line with their objectives and that their invested capital (less subscription fees) may not be fully returned.

- **Equity risk:** the Fund may, at any time, be fully or partially exposed to price fluctuations on the equity markets (up to 100% of net assets). This type of market may show strong upward or downward movements. If these markets fall, the net asset value of the Fund may decrease.

- **Discretionary management risk:** the discretionary management style is based on anticipating the performance of the various securities held in the portfolio. There is a risk that the Fund may not be invested in the best-performing securities at all times.

- **Sector and technology risk:** The Fund is mainly exposed to stocks in the technology, health, innovation and disruptive technology sectors in general. Investing in innovation and technological breakthroughs is riskier and more volatile than diversified equity markets. Investors in the fund are exposed to risks of disruption, obsolescence and sudden loss of sales and capital.

- **Risk associated with investing in small- and mid-cap companies:** this equity risk is associated with investing in small- and mid-cap companies. On the small cap/mid cap markets, the volume of listed securities is relatively small. In the event of a liquidity problem, these markets may show more pronounced and faster negative downward movements than large-cap markets. As a result, the net asset value of the fund may fall more quickly or more sharply.

- **Risk associated with investing in securities issued in emerging countries:** the economies of emerging countries are more fragile and more exposed to the vagaries of the international economy. In addition, their financial systems are less mature. Equities listed on markets in

Emerging markets may offer more limited liquidity or even be temporarily untradeable, due in particular to a lack of market trading or regulatory restrictions. The risks of significant capital losses or trading halts in certain financial instruments are not negligible.

- **Currency risk:** up to 100% of its net assets. If the Fund is exposed to currencies other than the euro and is not hedged in euro, the net asset value of the Fund may fall. The portfolio's concentration in equities from the technology, internet and biotechnology sectors exposes investors significantly to currency risk, particularly with regard to the US dollar.

- **Counterparty risk: the** risk that the party with whom a contract has been concluded will not honour its commitments. The FCP may enter into over-the-counter transactions with a counterparty whose insolvency could lead it to default on its commitments and result in a loss for the fund.

- **Sustainability risk:** This is characterised by an environmental, social or governance event or situation which, if it occurred, could have a significant actual or potential negative impact on the value of the investment.

  Environmental factors: Impact on the environment, which may include water use, pollution, waste management, energy efficiency, gas emissions and climate change.
  Social factors: human rights, health and safety, employee working conditions, commsharey impact, diversity, demographic change, consumer patterns and shareholder reputation.
  Governance factors: Board independence and diversity, shareholder and management alignment, remuneration, shareholder rights, transparency and disclosure, business ethics or culture.

  The occurrence of such an event or situation may also lead to a change in the FCP's investment strategy, including the exclusion of securities of certain issuers. More specifically, the negative effects of sustainability risks may affect issuers through a series of mechanisms, including: 1) lower revenues; 2) higher costs; 3) damage to or depreciation in the value of assets; 4) higher cost of capital.
  and 5) fines or regulatory risks. Due to the nature of sustainability risks and specific issues such as climate change, the likelihood of sustainability risks impacting returns on financial products is likely to increase over the longer term.

- **ESG data risk :**

  The stock selection process can involve a significant degree of subjectivity in the application of ESG filters. Such factors may vary according to investment themes, asset classes, investment philosophy and the subjective use of different ESG criteria and sub-criteria in portfolio construction.

  The selection and weightings applied may, to some extent, be subjective or based on measures that may share the same name but have different underlying meanings. ESG information, whether from an external and/or internal source, is by its nature and in many cases based on qualitative assessment and judgement, particularly in the absence of well-defined market standards and due to the existence of multiple approaches to ESG. An element of subjectivity and discretion is inherent in the interpretation and use of ESG data. This can make it difficult to compare strategies that incorporate ESG criteria. Investors should note that the subjective value they may or may not attribute to certain types of ESG criteria may differ significantly from one fund to another. No representation is made and no guarantee is given as to the impartiality, accuracy, completeness or exhaustiveness of the sustainable or extra-financial characteristics.

  The application of ESG criteria to the investment process may exclude the securities of certain issuers for non-financial reasons and, as a result, may result in the loss of certain market opportshareies available to funds which do not use ESG or sustainability criteria. The fund manager's focus on issuers of securities with sustainable characteristics may affect the investment performance of a sustainable fund and result in a return which, at times, will be lower than that of similar funds which do not have a sustainable approach or which apply extra-financial criteria. In the short term, a focus on

Issuers with sustainable characteristics could positively or negatively affect the performance of the Fund's investments with similar funds that do not have this orientation. Over the long term, this orientation should have a favourable effect, although no guarantee can be given in this respect.

The ESG information available, whether from third party data providers or the issuers themselves, may be incomplete, inaccurate, incomplete or unavailable. This may have a negative impact on a portfolio which relies on this data to assess the appropriate inclusion or exclusion of a security. As a result, there is a risk of an incorrect assessment of a security or issuer, leading to the erroneous inclusion or exclusion of a security. ESG data providers are private companies that supply ESG data for a variety of issuers. They can therefore modify the valuation of issuers or instruments at their discretion.

The ESG approach may evolve and develop over time, as investment decision-making processes are refined to take account of ESG factors and risks, and/or as a result of legal and regulatory developments.

6. **Guarantee or protection**: none

7. **Target subscribers and typical investor profile** :

Subscribers concerned :

A share: Disruption Fund Alpha feeder fund (FR0012770154)

B shares: All investors, subject to a minimum initial subscription of 150,000 euros

I shares: All investors, particularly institutional investors

GI shares: All investors, particularly institutional investors

Investor **profile :**

The UCITS is aimed at individuals, legal entities and institutional investors who are aware of the risks inherent in holding shares in such a fund, which are high due to investment in listed equities.

The Fund is also intended to be used as a vehicle for share-linked life insurance policies.

Subscriptions made by entities belonging to the same group may be accumulated.

Investors in this fund are looking to invest in a diversified portfolio specialising in innovation and technological breakthroughs.

The amount that is reasonable to invest in this fund depends on the personal situation of each investor, and in particular on their own objectives and the composition of their financial portfolio. Investors are advised to diversify their investments sufficiently so that they are not exposed solely to the risks of this fund.

"The shares of this UCITS are not and will not be registered in the Shareed States pursuant to the Shareed States Securities Act.
U.S. Securities Act 1933 as amended ("Securities Act 1933") or admitted under any law of the Shareed States. These shares must not be offered, sold or transferred in the Shareed States (including its territories and possessions and any region subject to its judicial authority) or benefit, directly or indirectly, a US person (within the meaning of Regulation S of the Securities Act of 1933) and assimilated persons (as referred to in the US "HIRE" law of 18/03/2010 and in the FATCA system). "

The recommended minimum investment period is five (5) years.

8. **Procedures for determining and allocating distributable sums** :

The net income for the year is equal to the amount of interest, arrears, dividends, bonuses and lots, directors' fees and all income relating to the securities in the sub-fund's portfolio, plus the income from sums temporarily available, less management fees and borrowing costs.

The distributable sums are made up of :

1° Net income plus retained earnings plus or minus the balance of the income equalisation account ;
2° Realised capital gains, net of costs, less realised capital losses, net of costs, recorded during the financial year, plus net capital gains of the same type recorded during previous financial years which have not been distributed or capitalised, less or increased by the balance of the adjustment account for capital gains.

Distributable sums are fully capitalised, with the exception of those that are subject to a capital redemption. distribution required by law.

9. **Share characteristics** (denomination currencies, splits, etc.) :

Share	A	B	I	GI
Original value from	1,000 euros	1,000 euros	1,000 euros	1,000 euros
ISIN code	FR0014007W15	FR001400C858	FR0014007W31	FR0014007W49
Currency of denomination	Euro	Euro	Euro	Euro
Subscribers concerned	All investors, particularly the feeder fund Disruption Fund Alpha (FR0012770154)	All subscribers	All subscribers, particularly investors institutional	For all investors, particularly inv estors institutional
Minimum initial subscription amount	20,000,000 euros	150,000 euros	1,000,000 euros	20,000,000 euros

There is no minimum for subsequent subscriptions.

10. **Subscription and redemption terms** :

Subscriptions and redemptions are accepted in ten-thousandths of shares and in amounts.

Subscription and redemption requests are centralised from Monday to Friday until 10 a.m. (Paris time) by the centralising agent:

SOCIETE GENERALE
32, rue du Champ de Tir
44000 Nantes

They are executed on the basis of the next net asset value dated the same day.

Subscription and redemption requests received after 10 a.m. (Paris time) are executed on the basis of the net asset value following that mentioned above.

Holders' attention is drawn to the fact that orders transmitted to marketers other than the institutions mentioned above must take account of the fact that the order centralisation cut-off time applies to the said marketers with regard to SOCIETE GENERALE. Consequently, these marketers may apply their own cut-off time, earlier than that mentioned above, in order to take account of their deadline for transmitting orders to SOCIETE GENERALE.

Orders are executed in accordance with the table below:

Working day	D business day: day on which the NAV is established	D+1 working day	D+2 working day
Centralisation of subscription and redemption orders before 10 a.m.	NAV date (calculated on D+1)	Calculation and publication of net asset value	Payment of subscriptions and redemp tions

11. Date and frequency of establishment and calculation of net asset value :

The Net Asset Value is established and calculated daily, with the exception of public holidays in France and days on which the French markets are closed (official calendar of EURONEXT Paris). If this is not possible, the Net Asset Value is dated the next business day.

Swing pricing mechanism :

The Management Company has chosen to implement a swing pricing mechanism in accordance with the procedures recommended by the AFG Charter in order to protect the Fund and its long-term investors from the impact of large capital inflows or outflows. When the amount of net subscriptions or redemptions in the UCITS exceeds a threshold previously set by the Management Company, the net asset value of the UCITS will be increased or decreased by a percentage intended to offset the costs incurred by the investment or disinvestment of this sum and to ensure that they are not borne by the other investors in the UCITS. The trigger threshold and the amplitude of the net asset value swing are specific to the Fund and are reviewed by a quarterly Swing Price Committee. This committee may modify the swing pricing parameters at any time, particularly in the event of a crisis on the financial markets.

Capping of redemptions or "Gates" :

In application of article 411-20-1 of the AMF's general regulations, QUADRILLE CAPITAL may, on a temporary basis when exceptional circumstances so require, implement the so-called "gates" system, which allows redemption requests from UCITS shareholders to be spread over several net asset values when they exceed a certain level, determined objectively, in order to guarantee the balanced management of the UCITS and therefore the equality of shareholders.

In the event of exceptional circumstances and when the interests of shareholders so require, QUADRILLE CAPITAL has introduced a system to cap redemptions above a threshold of 10% (redemptions net of subscriptions/last known net asset value).

However, this threshold is not systematically triggered: if liquidity conditions allow, the Management Company may decide to honour redemptions above this threshold.

Gates can be applied for a maximum of 20 net asset values over 3 months.

The part of the order that is not executed cannot be cancelled under any circumstances and is automatically carried forward to the next centralisation date and will not be given priority over new orders. Subscription and redemption transactions for the same number of shares, on the basis of the same net asset value and for the same shareholder or beneficial owner (known as round-trip transactions) are not affected by the redemption cap mechanism.

Description of the method used :
Fund shareholders are reminded that the threshold triggering the redemption cap mechanism is compared to the ratio between :
- the difference recorded, on the same centralisation date, between the number of shares of the UCITS for which redemption is requested or the total amount of such redemptions, and the number of shares of the UCITS for which subscription is requested or the total amount of such subscriptions;
- and the net assets or total number of shares of the UCITS.

As the UCITS has several classes of shares, the trigger threshold for this mechanism will be the same for all classes of shares of the UCITS.

The threshold above which the cap on redemptions will be triggered is justified by the frequency with which the net asset value of the Fund is calculated, its management strategy and the liquidity of the assets it holds. The latter is specified in the fund rules and applies to centralised redemptions for all of the Fund's assets and not on a specific basis depending on the Fund's investment objectives share classes of the UCITS.

When redemption requests exceed the threshold triggering the capping mechanism, the Management Company may decide to honour redemption requests in excess of the specified cap, thereby partially or fully executing orders that might otherwise be blocked.

Methods of informing holders :

In the event that the redemption cap is activated, all UCITS shareholders will be informed by any means, via the Management Company's website (www.quadrillecapital.com).
Fund shareholders whose orders have not been executed will be informed, in particular, as soon as possible.

Handling of unexecuted orders :

These orders will automatically be carried forward to the next net asset value and will not have priority over new redemption orders placed for execution on the next net asset value. In any event, redemption orders that are not executed and automatically carried forward may not be revoked by the UCITS shareholders concerned.

For example, if total redemption requests for Fund shares on a given centralisation date are 20%, whereas the trigger threshold is set at 10% of net assets, the Management Company may decide to honour redemption requests up to 10% of net assets (and therefore execute 10% of redemption requests instead of 20% if it applied the 10% cap strictly).

12. Fees and commissions

a) Subscription and redemption fees

Subscription and redemption fees increase the subscription price paid by the investor or reduce the redemption price. The fees paid to the fund are used to offset the costs incurred by the fund in investing or disinvesting the assets entrusted to it.
Fees not paid to the FCP are paid to the Management Company, the marketing agent, etc.

Fees charged to the investor on subscriptions and redemptions	Plate	Rate / Scale
Subscription fee not paid to the UCITS	Net asset value x number of shares	A share: 0% B share: max. 3%. I share : 0% GI share : 0%
Subscription fee paid to the Fund	Net asset value x number of shares	A share: 0% B share: max. 0.2% Part I : 0% Part GI : 0%
Redemption fee not paid to the Fund	Net asset value x number of shares	None
Redemption fee paid to the Fund	Net asset value x number of shares	None

b) Financial management fees

These costs include all costs billed directly to the FCP, with the exception of transaction costs. Transaction costs include intermediary fees (brokerage, etc.) and turnover fees, where applicable, which may be charged by the custodian and the management company in particular.

In addition to the fees charged, the following may also apply:
- performance fees. These remunerate the Management Company if the fund exceeds its objectives. They are therefore billed to the fund;
- Expenses external to the Management Company (statutory auditor, custodian, distribution, lawyers) ;
- turnover fees charged to the mutual fund.

c) Transaction fees

	Fees charged to the Fund	Plate	Rate scale (incl. VAT)
1	Financial management fees	Net assets	A shares: 1% maximum B shares: 1.5% maximum I shares: 1.5% maximum GI shares: 1% maximum
2	Administrative costs external to the management company	Net assets	A, B, I and GI shares: maximum 0.2%.
3	Maximum indirect costs (commissions and management fees)	Net assets	A, B, I and GI shares: 0.01% maximum
4	Transaction fees	Deduction from each transaction	None
5	Outperformance fees	Net assets	A, I and GI shares: None B share: 7.5% of performance above MSCI World Net Total Return EUR index*

Calculation of the performance fee :

Calculation of the performance fee :

The performance fee, applicable to a given share class, is based on a comparison between the Fund's valued assets (net of fixed management fees) and the "benchmark assets", which achieved a performance identical to that of the benchmark indicator over the calculation period, with the same variations linked to subscriptions and redemptions of the FCP. This comparison is made over an observation period which may extend from 1 to 5 financial years.

Definitions :

The Fund's Valued Assets are defined as the proportion of the assets corresponding to a given share category, adjusted for the subscription/redemption amounts applicable to the said share category at each valuation, valued in accordance with the rules applicable to assets and after taking into account the actual operating and management costs corresponding to the said share category but before performance fees.

The reference asset represents the portion of the portfolio's assets corresponding to a given share category, with a subscription/redemption flow strictly identical to that of the share category in question and a performance identical to that of the benchmark index (i.e. the MSCI World Euro index, net dividends reinvested / Ticker: MSDEWIN).

The observation period is defined as follows:

As from the implementation of the ESMA guidelines and the change of method induced by these guidelines, the first observation period will begin on [1] September 2022 and potentially end on 31 December 2023, 2024, 2025, 2026 or 2027, depending on whether the conditions for deduction of the performance fee are met.

The crystallisation of the outperformance fee gives rise to the opening of a new observation period of 1 to 5 years based on the same principle as that described above. If there is no crystallisation at the end of a 5-year observation period, the underperformance not made up prior to five years is erased from the history.

Each observation period begins on the first trading day of January and ends on the last day of January. December scholarship and may not be for less than 12 months.

- At the start of each observation period, the reference asset will be the last asset valued for which a performance fee has been paid. This benchmark asset will, where applicable, be restated for any subscriptions/redemptions that have taken place between the valuation date of this benchmark asset and the start of the new observation period.

- If the FCP's valued assets are higher than those of the reference assets, the provision is collected by the management company (this provision represents 7.5% of the difference between these two assets) and a new observation period begins. The level of the reference asset retained for the new observation period is then readjusted to the level of the fund's valued assets on the crystallisation date.

- If the valued assets of the fund are lower than those of the reference assets, no provision is recorded and the observation period continues for one year (up to a maximum of 5 years), maintaining the initial level of the reference assets.

At the end of the fifth year of an observation period, and in the absence of crystallisation, the level of the reference asset is automatically readjusted to exclude underperformance not caught up prior to 5 years. The level of the reference asset is therefore rebased in such a way that any uncaught underperformance prior to five years is removed from the history year after year. Thus, if another year of underperformance has occurred within this first 5-year period and has not been caught up by the end of this first period, a new maximum 5-year period begins from this new year of underperformance.

At the time of each net asset value calculation, the performance fee, then defined as 7.5% (inclusive of tax) of the performance in excess of the benchmark index, is subject to a provision or reversal of provision. Reversals of provisions are capped at the amount of previous allocations.

It is specifically stated that the performance fee is not conditional on the fund achieving a positive performance. It is therefore possible for the fund to pay the Management Company a performance fee when it outperforms over the observation period, even though the net asset value of the fund shows a negative performance over the financial year in question.

The basis for calculating the outperformance fee is the assets net of all expenses but before allocation of the provisions for the outperformance fee. These performance fees are charged directly to the fund's income statement at each net asset value. The provision is definitively crystallised and acquired at the end of each observation period. The provision, when positive, is therefore reset to zero as soon as it is paid to the Management Company.

In the event of redemption, the portion of the provision set aside, corresponding to the number of shares redeemed, is definitively acquired by the management company.

This variable portion will be definitively acquired by the management company at the end of each observation period if, over the period, the Fund's valued assets exceed those of the reference assets.

ILLUSTRATION CASE 1 (WITHOUT PERFORMANCE CONDITION > 0): B shares

Année	Performance Fonds	Performance Indice	Sur/sous-performance	Sous-performance cumulée	Sous performance à rattraper en T+1	Commission de Surperformance
Y1	5	3	2			OUI
Y2	-4	-6	2			OUI *
Y3	4	0	4			OUI
Y4	-7	-2	-5	-5	-5	NON
Y5	7	9	-2	-7	-7	NON
Y6	3	2	1	-6	-6	NON
Y7	-2	-3	1	-5	-5	NON
Y8	2	2	0	-5	-2	NON
Y9	4	1	3			OUI **
Y10	2	1	1			OUI
Y11	2	-1	3			OUI
Y12	3	5	-2	-2	-2	NON
Y13	2	0	2			NON
Y14	2	1	1			OUI
Y15	1	4	-3	-3	-3	NON
Y16	3	0	3			NON
Y17	1	-2	3			OUI
Y18	2	2	0			NON
Y19	2	0	2			OUI

* La commission de surperformance est payée lorsqu'il y a surperformance, y compris en cas de performance négative
** La sous-performance non rattrapée de Y4 sort de l'historique de 5 ans en Y9

A la fin d'une période d'observation de 5 ans, la sous-performance non compensée antérieure à 5 ans est effacée année après année

For more details on the fees actually charged to the Fund, please refer to the KID.

13. Choice of intermediaries :

The relationship between the Management Company and the financial intermediaries is monitored by a formal set of procedures.

All new relationships are subject to an approval procedure in order to minimise the risk of default when dealing in financial instruments traded on regulated or organised markets (money market instruments, bonds and equities).

The criteria used in this counterparty selection procedure are as follows: the ability to offer competitive intermediation costs, the quality of order execution, the relevance of the research services provided to users, their availability to discuss and argue their diagnoses, their ability to offer a range of products and services (whether broad or specialised) corresponding to the needs of the Management Company, their ability to optimise the administrative processing of transactions.

The weight given to each criterion depends on the nature of the investment process concerned.

IV. COMMERCIAL INFORMATION

1. **Subscription and redemption terms** :

In accordance with the provisions of the prospectus, subscriptions and redemptions of shares in the mutual fund may be made with SOCIETE GENERALE and, where applicable, with the shareholders' usual financial intermediaries.

2. **Methods of informing holders** :

The Key Investor Information Document (DICI), the prospectus and the latest annual and interim documents of the FCP in French are sent free of charge within one week on written request to :

Quadrille Capital
16, place de la Madeleine
75008 Paris

The net asset value may be consulted at the offices of the Management Company.

Sales documentation is made available by the Management Company at its offices.

Information on the inclusion of environmental, social and governance (ESG) criteria in the investment policy is available from the Management Company and will be included in the annual report.

V. INVESTMENT RULES

In accordance with the provisions of articles L 214-20 and R 214-1 et seq. of the French Monetary and Financial Code, the asset composition rules laid down by the Monetary and Financial Code and the risk spreading rules applicable to this UCITS must be complied with at all times. If these limits are exceeded beyond the control of the Management Company or following the exercise of a subscription right, the Management Company's priority objective will be to rectify the situation, taking into account the interests of the Fund's shareholders.

VI. OVERALL RISK

Global risk monitoring method: the commitment on forward markets is calculated using the following method calculation of the commitment.

VII. ASSET VALUATION RULES

The Fund has complied with the accounting rules prescribed by the regulations in force, and in particular with the UCITS chart of accounts, defined by the Order of the Minister for the Economy dated 6 May 93 and amended by CRC regulation no. 2014-01 of 14 January 2014.

1. **Valuation rules**

The portfolio is valued at each net asset value and at the balance sheet date in accordance with the following rules:

Shares and share equivalents are valued on the basis of the closing share price.

Futures traded on a regulated market are valued at the settlement price.

Contingent financial futures traded on a regulated market are valued at the closing price.

Financial instruments for which the price has not been recorded, for which the trend appears to be incorrect on the valuation day or for which the price has been corrected are valued at their probable trading value under the responsibility of the Management Company's Management. The auditor is informed of these valuations and the reasons for them during his audits.

Off-balance sheet items are stated at market value, with this value resulting for conditional transactions from translation into the underlying equivalent.

Forward market commitments are calculated using the commitment method.

2. Accounting methods

Securities are recorded net of costs.

Description of the method used to recognise income from fixed-income securities: Income is recognised on a cash basis.

Interest is recognised on an accruals basis.

Net income is capitalised. Net realised capital gains are capitalised.

3. Accounting currency

The accounting currency is the euro.

VIII. REMUNERATION

The Management Company has established a remuneration policy ("the Policy") applicable to all members of the Management Company's staff, setting out the main principles for determining and paying remuneration.

The Policy is designed to avoid situations of conflict of interest and reckless risk-taking or risk-taking that is incompatible with the risk profiles and constitutive documents of the UCIs it manages, and generally with the interests of the Management Company's clients.

A paper copy of the Policy is available free of charge on request.

D|F

REGULATIONS

DISRUPTION FUND MASTER

UCITS governed by European Directive 2009/65/EC

TITLE I - ASSETS AND SHARES

Article 1 - Co-ownership shares
The rights of co-owners are expressed in shares, with each share corresponding to the same fraction of the fund's assets. Each shareholder has a co-ownership right in the fund's assets proportional to the number of shares held.
The term of the fund is 99 years from the date of its creation, except in the event of early dissolution or extension as provided for in these regulations.
The characteristics of the different classes of shares and the terms and conditions governing access to them are set out in the following section.
the mutual fund's prospectus.
The different classes of shares may :

- Benefit from different income distribution schemes (distribution or capitalisation)
- Be denominated in different currencies;
- Different management costs;
- Different subscription and redemption fees;
- Have a different nominal value;
- Be accompanied by systematic partial or total risk hedging, as defined in the prospectus. This hedging is carried out using financial instruments that minimise the impact of hedging transactions on the other share classes of the Fund;
- Be reserved for one or more marketing networks.

Shares may be divided, regrouped or split, at the discretion of the Management Company, into tenths, hundredths, thousandths or ten-thousandths, known as fractions of shares.
The provisions of the regulations governing the issue and redemption of shares shall apply to fractional shares, the value of which shall always be proportional to that of the share they represent. All other provisions of the regulations relating to shares apply to fractions of shares without it being necessary to specify this, except where otherwise provided.
The portfolio management company may, at its sole discretion, divide shares by creating new shares which are allocated to shareholders in exchange for old shares.

Article 2 - Minimum assets
Shares may not be redeemed if the Fund's assets fall below EUR 300,000; if the assets remain below this amount for thirty days, the Management Company shall take the necessary steps to liquidate the Fund concerned, or to carry out one of the transactions referred to in Article 411-16 of the AMF General Regulations (transfer of the Fund).

Article 3 - Issue and redemption of shares
Shares are issued at any time at the request of shareholders on the basis of their net asset value plus any subscription fees. Redemptions and subscriptions are carried out in accordance with the terms and conditions set out in the prospectus. Mutual fund shares may be listed in accordance with the regulations in force.

Subscriptions must be fully paid up on the day the net asset value is calculated. Subscriptions may be made in cash and/or through the contribution of financial instruments. The Management Company has the right to reject securities offered and, to this end, has a period of seven days from the date of their submission in which to make its decision known. In the event of acceptance, the securities contributed are valued in accordance with the rules set out in Article 4 and the subscription is made on the basis of the first net asset value following acceptance of the securities concerned.

Redemptions are made exclusively in cash, except in the event of liquidation of the fund when shareholders have indicated their agreement to be reimbursed in securities. Redemptions are settled by the issuing account holder within a maximum of five days following the valuation of the share. However, if, in exceptional circumstances, redemption requires the prior realisation of assets held in the fund, this period may be extended, but may not exceed 30 days.

Except in the case of inheritance or gift-sharing, the sale or transfer of shares between shareholders, or from shareholders to a third party, is treated as a redemption followed by a subscription; in the case of a third party, the amount of the sale or transfer must, where applicable, be supplemented by the beneficiary to reach at least the minimum subscription required by the prospectus.

Pursuant to article L. 214-8-7 of the French Monetary and Financial Code, the redemption by the Fund of its shares, as well as the issue of new shares, may be suspended, on a temporary basis, by the Management Company, when exceptional circumstances so require and if the interests of the shareholders so dictate. When the Fund's net assets fall below the amount set by regulations, no shares may be redeemed.

Pursuant to the third paragraph of Article L.214-8-7 of the Monetary and Financial Code, the Fund may cease to issue shares, either temporarily or permanently, in whole or in part, in objective situations leading to the closure of subscriptions, such as a maximum number of shares issued, a maximum amount of assets reached or the expiry of a given subscription period. Existing shareholders will be informed by any means of the activation of this tool, as well as of the threshold and the objective situation that led to the decision to close the fund partially or totally. In the case of a partial closure, this information will explicitly specify the conditions under which existing shareholders may continue to subscribe for the duration of the partial closure. Shareholders will also be informed by any means of the decision by the UCITS or the management company either to terminate the total or partial closure of subscriptions (when the trigger threshold falls below), or not to terminate it (in the event of a change in the threshold or a change in the objective situation that led to the implementation of this tool). A change in the objective situation invoked or in the threshold triggering the tool must always be made in the interests of the shareholders. The exact reasons for these changes must be communicated by any means.

Article 4 - Calculation of net asset value
The net asset value of shares is calculated in accordance with the valuation rules set out below.
in the prospectus.

Contributions in kind may only include securities or contracts eligible for inclusion in the assets of the UCITS; they are valued in accordance with the valuation rules applicable to the calculation of net asset value.

TITLE II - OPERATION OF THE FUND

Article 5 - The Management Company
The fund is managed by the Management Company in accordance with the strategy defined for the fund. The Management Company acts in all circumstances in the exclusive interest of the shareholders and has sole authority to exercise the voting rights attached to the securities held in the fund.

Article 5a - Operating rules
The instruments and deposits eligible for inclusion in the Fund's assets and the investment rules are as follows described in the prospectus.

Article 5b - Admission to trading on a regulated market and/or a multilateral trading facility
Shares may be admitted to trading on a regulated market and/or a multilateral trading facility in accordance with the regulations in force. If a mutual fund whose shares are admitted to trading on a regulated market has a management objective based on an index, the fund must have a system in place to ensure that the price of its shares does not deviate significantly from its net asset value.

Article 6 - The depositary
The custodian carries out the duties incumbent upon it under the laws and regulations in force, as well as those entrusted to it contractually by the management company. In particular, it must ensure that the decisions taken by the portfolio management company are in order. If necessary, it must take any protective measures it deems appropriate. In the event of a dispute with the management company, it shall inform the Autorité des Marchés Financiers.

Article 7 - The Statutory Auditor

The management company's governing body appoints a statutory auditor for a period of six financial years, with the approval of the Autorité des marchés financiers. The auditor certifies that the financial statements are true and fair. He may be reappointed. The statutory auditor is required to report as soon as possible to the Autorité des marchés financiers any fact or decision concerning the undertaking for collective investment in transferable securities of which he has become aware in the course of his duties, of a nature :

1° To constitute a breach of the legal or regulatory provisions applicable to this body and likely to have a significant effect on the financial situation, results or assets ;

2° Undermine the conditions or continuity of its operations;

3° Has led to the expression of reservations or the refusal to certify the accounts.

The valuation of assets and the determination of exchange parities in transformation, merger or demerger are carried out under the supervision of the Statutory Auditor. He is responsible for assessing all contributions in kind.

It checks the composition of assets and other items before publication.

The auditor's fees are set by mutual agreement between the auditor and the Board of Directors or the Management Board of the management company, on the basis of a work programme specifying the work deemed necessary.

It certifies the situations used as a basis for distributing advance payments.

Its fees are included in the management costs.

Article 8 - Accounts and management report

At the end of each financial year, the management company prepares summary documents and a report on the management of the fund during the previous financial year.

The Management Company draws up an inventory of the Fund's assets at least every six months, under the supervision of the Custodian.

The Management Company makes these documents available to shareholders within four months of the end of the financial year and informs them of the amount of income to which they are entitled: these documents are either sent by post at the express request of shareholders, or made available to them at the Management Company.

SECTION III - TERMS AND ALLOCATION OF DISTRIBUTABLE SUMS

Article 9 - Allocation of distributable sums

Net income for the financial year is equal to the amount of interest, arrears, dividends, bonuses and lots, directors' fees and all related income constituting the fund portfolio, plus the proceeds of sums temporarily available, less management fees and borrowing costs.

The distributable sums are made up of :

1°) Net income plus retained earnings plus or minus the balance of the income equalisation account;

2°) realised capital gains, net of costs, less realised capital losses, net of costs, recorded during the financial year, plus net capital gains of the same nature recorded during previous financial years which have not been distributed and capitalised, less or increased by the balance of the capital gains adjustment account.

The sums referred to in 1° and 2° may be distributed, in whole or in part, independently of from each other.

The precise terms and conditions for the allocation of income are described in the prospectus.

TITLE IV - MERGER - DEMERGER - DISSOLUTION - LIQUIDATION

Article 10 - Merger - Demerger

The management company may either transfer all or part of the assets held in the fund to another UCITS that it manages, or split the fund into two or more other mutual funds that it will manage.

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

Article 11 - Dissolution - Extension
If the assets of the fund (or, where applicable, of the sub-fund) remain below the amount stipulated in article 2 above for a period of thirty days, the management company shall inform the Autorité des marchés financiers (AMF) and proceed with the dissolution of the fund (or, where applicable, of the sub-fund), unless it is merged with another mutual fund. The management company may dissolve the fund (or, where applicable, the sub-fund) early; it shall inform the shareholders of its decision and from that date subscription or redemption requests will no longer be accepted. The management company will also dissolve the fund (or, where applicable, the sub-fund) in the event of a request for redemption of all the shares, the termination of the custodian's duties if no other custodian has been appointed, or the expiry of the fund's term if it has not been extended.
The management company informs the Autorité des marchés financiers by letter of the date and procedure chosen for dissolution. It will then send the auditor's report to the Autorité des marchés financiers.
The extension of a fund may be decided by the management company in agreement with the custodian. The decision must be taken at least 3 months before the expiry of the fund's term and must be notified to the shareholders and the Autorité des marchés financiers.

Article 12 - Liquidation
In the event of dissolution, the Management Company shall act as liquidator; failing this, the liquidator shall be appointed by the courts at the request of any interested party. To this end, it is vested with the broadest powers to realise the assets, pay any creditors and distribute the available balance among the shareholders in cash or securities.
The Statutory Auditor and the Custodian shall continue to perform their duties until the end of the liquidation.

TITLE V - DISPUTES

Article 13 - Jurisdiction - Choice of domicile.
Any disputes relating to the Fund which may arise during its operation or liquidation, either between the shareholders or between the shareholders and the Management Company or the Custodian, shall be submitted to the jurisdiction of the competent courts.