



**BNP PARIBAS**  
**ASSET MANAGEMENT**

**BNP PARIBAS BOND 6 M**

**FUND PROSPECTUS**

**MUTUAL FUND UNDER EUROPEAN DIRECTIVE 2009/65/EC**

## I – GENERAL CHARACTERISTICS

## I.1 – FORM OF THE UCITS

**NAME:** BNP PARIBAS BOND 6 M

**LEGAL FORM AND MEMBER STATE IN WHICH THE FUND WAS INCORPORATED:** Mutual Investment Fund (FCP) under French law.

**INCEPTION DATE AND INTENDED LIFETIME:** This Fund was authorised by the French financial markets authority (Autorité des marchés financiers, AMF) on 7 September 2004. It was established on 22 September 2004, for a term of 99 years.

**FUND OVERVIEW:**

UNIT CLASSES	ISIN CODES	ALLOCATION OF DISTRIBUTABLE INCOME	BASE CURRENCY	TARGET INVESTORS	MINIMUM SUBSCRIPTION AMOUNT	FRACTIONING OF UNITS
Classic "C"	FR0010116343	Net income: Accumulation Net realised capital gains: Accumulation	Euro	All investors	Initial subscription: one thousandth of a unit	Thousandths
Classic "D" class	FR0010116574	Net income: Distribution Net realised capital gains: Accumulation			Subsequent subscriptions: one thousandth of a unit	
"R"	FR0011037746	Net income: Accumulation Net realised capital gains: Accumulation	Euro	Reserved for insurance companies to use for insurance contracts	Initial subscription: one thousandth of a unit  Subsequent subscriptions: one thousandth of a unit	Thousandths
"Mandat"	FR0011175645	Net income: Accumulation Net realised capital gains: Accumulation	Euro	All investors  Intended primarily to be offered as part of life insurance or capitalisation contracts from BNP Paribas Group companies and to institutional mandates managed by BNP Paribas Group management companies.	Initial subscription: one thousandth of a unit  Subsequent subscriptions: One thousandth of a unit	Thousandths
"X"	FR0011352517	Net income: Accumulation Net realised capital gains: Accumulation	Euro	Reserved for feeder UCITS or AIFs and for institutional mandates managed by BNP Paribas Group management companies.	Initial subscription: one thousandth of a unit  Subsequent subscriptions: one thousandth of a unit	Thousandths
"I"	FR0013263811	Net income: Accumulation Net realised capital gains: Accumulation	Euro	All investors.  Specifically intended for institutional investors	Initial subscription**: EUR 3,000,000 or the equivalent number of units  Subsequent subscriptions: one thousandth of a unit	Thousandths

"I USD H"	FR0013347119	Net income: Accumulation  Net realised capital gains: Accumulation	USD	All investors.  Specifically intended for institutional investors	Initial subscription**: USD 3,000,000 or the equivalent number of units  Subsequent subscriptions: one thousandth of a unit	Thousandths
"Privilege"	FR0013301686	Net income: Accumulation  Net realised capital gains: Accumulation	Euro	All investors	Initial subscription**: EUR 3,000,000  Subsequent subscriptions: one thousandth of a unit	Thousandths
				For subscribers advised by independent advisers as defined by MiFID II (1) and managed under mandate	Initial subscription: one thousandth of a unit  Subsequent subscriptions: one thousandth of a unit	
"I Plus"	FR00140026N9	Net income: Accumulation  Net realised capital gains: Accumulation	EUR	All investors.  Specifically intended for institutional investors	Initial subscription**: EUR 100,000,000 or the equivalent number of units  Subsequent subscriptions: one thousandth of a unit	Thousandths
"I GBP H"	FR00140026O7	Net income: Accumulation  Net realised capital gains: Accumulation	GBP	All investors.  Specifically intended for institutional investors	Initial subscription**: GBP 3,000,000 or the equivalent in number of units  Subsequent subscriptions: one thousandth of a unit	Thousandths

\*The "I USD H" and "I GBP H" units are hedged against currency risk.

\*\*These minimum subscription amounts do not apply to the Management Company, the depositary or any other entity belonging to the BNP Paribas Group, which may subscribe for only one thousandth of a unit.

(1) Distributors from member countries of the European Economic Area providing only independent advisory services as defined by MiFID 2004/39.

**ADDRESS FROM WHICH THE LATEST ANNUAL AND INTERIM REPORTS MAY BE OBTAINED:**

The latest annual report and the composition of assets will be sent to unitholders within eight business days of receipt of a written request sent to:

BNP PARIBAS ASSET MANAGEMENT France – Service Client  
TSA 90007, 92729 Nanterre CEDEX, France

These documents are also available on the website at [www.bnpparibas-am.com](http://www.bnpparibas-am.com)

Additional information can be obtained from branches of BNP PARIBAS.

**I.2 – ADMINISTRATIVE AGENTS****MANAGEMENT COMPANY:****BNP PARIBAS ASSET MANAGEMENT France**

A simplified joint-stock company (*Société par actions simplifiée*)

Registered office: 1, boulevard Haussmann, 75009 Paris, France

Postal address: TSA 90007, 92729 Nanterre CEDEX, France  
A portfolio management company authorised by the AMF on 19 April 1996 under no. GP 96002

**DEPOSITARY AND CUSTODIAN:****BNP PARIBAS**

Limited company (*Société anonyme*)

Registered office: 16, boulevard des Italiens, 75009 Paris, France

Office address: Grands Moulins de Pantin

9, rue du Débarcadère, 93500 Pantin, France

Credit institution authorised by the French Prudential Supervision and Resolution Authority, the Autorité de contrôle prudentiel et de résolution (ACP)

The duties of the depositary are: custody of the assets, checking that the Management Company's decisions are lawful, and monitoring the Fund's cash flow. Potential conflicts of interest may exist, particularly if BNP Paribas has a commercial relationship with the Management Company in addition to its role as depositary for the Fund. This may be the case if BNP Paribas provides fund administration services to the Fund, including calculation of the net asset value.

In countries where it has no local presence, the depositary delegates the custody of assets held abroad to local sub-custodians. The remuneration of sub-custodians is levied from the fees paid to the depositary and no additional costs are charged to unitholders for this function. The process for appointing and overseeing sub-custodians conforms to the highest quality standards, including the management of the potential conflicts of interest that could arise in connection with such assignments. The list of sub-custodians is available at the following address: <http://securities.bnpparibas.com/solutions/asset-fund-services/depositary-bank-and-trustee-serv.html>

The Management Company will send up-to-date information concerning the above points to unitholders on written request.

**CUSTODIAN:****BNP PARIBAS****DELEGATED CLEARING HOUSE FOR SUBSCRIPTION AND REDEMPTION ORDERS:****BNP PARIBAS****DELEGATED ISSUER ACCOUNT REGISTRAR:****BNP PARIBAS****STATUTORY AUDITOR:****DELOITTE ET ASSOCIES**

185 avenue Charles de Gaulle – B.P. 136

92203 Neuilly-sur-Seine Cedex, France

Represented by Mr Stéphane Collas

**PROMOTER:****BNP PARIBAS**

Limited company (*société anonyme*)

16, boulevard des Italiens,

75009 Paris, France

And BNP Paribas Group companies

The Fund's units are registered on Euroclear France, and they may therefore be subscribed to or redeemed through financial intermediaries not known to the Management Company.

**DELEGATED ACCOUNTING MANAGER:**

**BNP PARIBAS**

Limited company (*société anonyme*)  
Registered office: 16, boulevard des Italiens,  
75009 Paris, France

Office address: Grands Moulins de Pantin  
9, rue du Débarcadère, 93500 Pantin, France

The delegated fund accounting manager provides administrative functions (accounting, net asset value calculation) for the Fund.

**DELEGATED FINANCIAL MANAGER:**

**BNP PARIBAS ASSET MANAGEMENT UK Ltd**

Registered office: 5 Aldermanbury Square, London EC2V  
7BP, United Kingdom

Portfolio management company authorised by the Financial  
Conduct Authority

The delegated financial management concerns the hedging of the currency risk of liabilities in the event that the unit class of the Fund is denominated in a currency other than the accounting currency of the portfolio and/or the hedging of net cash positions denominated in currencies other than the Fund's reference currency, through foreign exchange transactions in the Fund's reference currency.

**ADVISOR:**

None

**II OPERATING AND MANAGEMENT PROCEDURES**

**II.1 – GENERAL CHARACTERISTICS**

**CHARACTERISTICS OF UNITS:**

**- RIGHTS ATTACHED TO THE UNIT CLASS:**

Each unitholder has a co-ownership right to the Fund's assets, proportional to the number of units held.

**TYPES OF UNITS:** Administered registered, pure registered or bearer shares. The Fund is listed on Euroclear France.

**- VOTING RIGHTS:**

As this is a mutual investment fund, no voting rights are attached to the units; decisions are taken by the Management Company.

However, unitholders will be notified of changes to the operation of the Fund either individually, in the press or by any other means that conforms to the provisions of the AMF Instruction no. 2011-19.

**- UNIT SPLITTING:**

Fund units are issued in thousandths of a unit.

**FINANCIAL YEAR END:**

Last stock exchange trading day in March.

First financial year: last stock exchange trading day of March 2005.

**TAX SYSTEM:**

In connection with the provisions of European Directive 2003/48/EC of 3 June 2003 on the taxation of savings income in the form of interest payments, the Fund invests over 25% of its assets in debt securities and similar products.

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

The tax system applicable to amounts distributed by the Fund and to the Fund's realised or unrealised capital gains or losses depends on the tax provisions applicable to the investor's specific situation and/or the jurisdiction in which the Fund is invested.

Investors are advised to pay close attention to all aspects specific to their situation. Investors who have any concerns about their tax situation should consult a tax advisor.

## **II.2 – SPECIAL PROVISIONS**

### **ISIN CODES:**

Classic unit classes

. Class "C": FR0010116343

. Class "D": FR0010116574

"R" unit class: FR0011037746

"Mandat" unit class: FR0011175645

"X" unit class: FR0011352517

"I" unit class: FR0013263811

"I USD H" unit class: FR0013347119

"Privilege" unit class: FR0013301686

"I Plus" unit class: FR00140026N9

"I GBP H" unit class: FR00140026O7

**CLASSIFICATION:** Euro-denominated bonds and other debt securities

### **MANAGEMENT OBJECTIVE:**

The Fund's management objective is, over a minimum investment period of six months, to outperform the following composite benchmark index: 80% capitalised €STR (Euro short-term rate) + 20% Bloomberg Barclays Euro Aggregate 1–3 Years (coupons reinvested), after deduction of ongoing charges.

The management objective of the "I USD H" unit class is, over a minimum investment term of six months, to outperform the following composite benchmark index: 80% Effective Federal Funds Rate + 20% Bloomberg Barclays Euro Aggregate 1–3 Years (coupons reinvested) hedged in US dollars, after deduction of ongoing charges.

The management objective of the "I GBP H" unit is to outperform the following composite benchmark index over a minimum investment term of six months: 80% SONIA + 20% Bloomberg Barclays Euro Aggregate 1–3 Years (reinvested coupons) hedged in sterling, after deducting ongoing charges.

### **BENCHMARK INDEX:**

The benchmark for "Classic" "C" and "Classic" "D" unit classes, and "R", "Mandat", "X", "I", "Privilege" and "I Plus" unit classes is the following composite index: 80% capitalised €STR (Euro Short-Term Rate) + 20% Bloomberg Barclays Euro Aggregate 1–3 Years.

The Euro Short-Term Rate (€STR) benchmark is a short-term rate in euros that reflects the unsecured overnight borrowing costs of banks in the eurozone. The rate is published by the ECB at 8.00 a.m. (Central European Time) on every TARGET2 business day. If, after publication, any errors are identified that affect the €STR by more than 2 basis points, the ECB will revise and re-publish the €STR at 9.00 a.m. (Central European Time) the same day. No changes will be made to the €STR on the ECB's website after this time. The €STR is calculated as an average interest rate weighted by the volume of transactions carried out.

For further information about the Index, investors are invited to consult the following website: [https://www.ecb.europa.eu/stats/financial\\_markets\\_and\\_interest\\_rates/euro\\_short-term\\_rate/html/index.en.html](https://www.ecb.europa.eu/stats/financial_markets_and_interest_rates/euro_short-term_rate/html/index.en.html)

The Bloomberg Barclays Euro Aggregate 1–3 Years benchmark index is calculated (with coupons reinvested) and published by Barclays Capital. It represents fixed-rate bonds denominated in euros, issued by

governments and public and private sector issuers with a minimum rating of BBB-/Baa3 and a residual term of at least 1 to 3 years.

For additional information about this index, the unitholders may consult the website at: [www.bloomberg.com](http://www.bloomberg.com).

The benchmark index of the "I USD H" unit class is the following composite index: 80% Effective Federal Funds Rate + 20% Bloomberg Barclays Euro Aggregate 1–3 Years (coupons reinvested) hedged in US dollars.

The Effective Federal Funds Rate benchmark index is, calculated in US dollars. It corresponds to the rate at which banks in the United States lend, on a day-to-day basis, their surplus reserve requirements in the Federal Reserve to other banks in the US domestic money market.

The Bloomberg Barclays Euro Aggregate 1-3 Years benchmark index hedged in US dollars is calculated (with coupons reinvested) and published by Barclays Capital. It represents fixed-rate bonds denominated in euros, issued by governments and public and private sector issuers with a minimum rating of BBB-/Baa3 and a residual term of at least 1 to 3 years. It is hedged in US dollars.

For additional information about this index, the unitholders may consult the website at: [www.bloomberg.com](http://www.bloomberg.com).

The benchmark for the "I GBP H" unit is the following composite index: 80% SONIA + 20% Bloomberg Barclays Euro Aggregate 1–3 Years (coupons reinvested) hedged in pounds sterling.

SONIA (Sterling Overnight Index Average) is the effective rate benchmark for unsecured transactions in the sterling market. On each business day, the SONIA price is calculated at the average rate of all transactions denominated in pounds sterling. This rate is administered and published daily by the Bank of England.

For additional information about this index, the unitholders may consult the website at: <https://www.bankofengland.co.uk/markets/sonia-benchmark>.

#### **INVESTMENT STRATEGY:**

##### **1. STRATEGY USED TO ACHIEVE THE MANAGEMENT OBJECTIVE**

The investment strategy of the BNP PARIBAS ASSET MANAGEMENT Euro bond investment management team is broken down into four phases:

- **1<sup>st</sup> phase: Establishment of the main choices for market exposure:** Sensitivity to interest rates, positioning on the yield curve, exposure to credit risk.
  - A "macroeconomic" committee, made up of all the heads of asset management teams for each asset class, meets monthly. It identifies the overall point of view of financial market players as regards macroeconomic trends (market consensus), then determines the BNP PARIBAS MANAGEMENT France economic scenario based on the findings of the BNP PARIBAS ASSET MANAGEMENT France macroeconomic research team.
  - On this basis, the overall bond investment committee made up of the heads of bond investment makes 3-month interest rate forecasts and identifies inefficiencies in the market. This committee expresses its main choices in terms of interest rate sensitivity, yield curve positioning and credit risk exposure.
- **2<sup>nd</sup> phase: Quantitative determination of risk allocation:**
  - Detailed forecasts and stress scenarios are prepared for credit spreads and interest rates, by rating category for the main bond maturities, by the heads of the bond investment management team.
  - Risk allocation (sensitivity, exposure to credit risk) is then determined in depth, so as to exploit the variation between the management team's forecasts (incorporating its degree of conviction) and the market consensus.
- **3<sup>rd</sup> phase: Issuer selection by curve segment and rating:**
  - Issuers are selected based on the recommendations of financial analysts who specialise in credit risk.
  - The credit spreads of major issuers are analysed by maturity and rating category in relation to their historical average.
  - Finally, using the above information, issuers are selected by curve segment and rating.

- **4<sup>th</sup> phase: Construction of the portfolio:**

The BNP PARIBAS BOND 6 M portfolio is then built up by the bond investment management team based on the risk allocation choices and the choice of issuers made above.

\* The credit spread is the difference in yield observed between a security issued by a private issuer and the swap rate with a comparable maturity.

Instruments with a maturity of more than two years represent at least 15% of the Fund's net assets.

The weighted average life of the instruments in the portfolio is limited to 18 months.

No security will have a lifetime in excess of three years.

In addition, the management team incorporates environmental, social and governance (ESG) criteria.

The Fund invests at least 90% of its net assets in securities from issuers and/or UCIs, which have been evaluated from an ESG perspective by the Management Company's team of expert analysts.

The Fund will have a higher ESG rating than that of its investment universe; this universe is defined as all of the issuers of short-term bonds or other short-term debt securities.

Issuers that operate in sensitive sectors and that do not comply with BNP PARIBAS ASSET MANAGEMENT's industry-specific policies (for example, coal-based energy production), which are available on its website, are excluded. Issuers that do not comply with the Ten Principles of the United Nations Global Compact and/or the OECD Guidelines for multinational issuers are also excluded.

The ESG analysis is backed up by an active policy whereby the Management Company engages in responsible practices with issuers (individual and collective engagement, general meeting votes etc.).

Incorporating ESG and sustainable development criteria into the Fund's investment strategy may result in the securities of some issuers being excluded. The performance of the Fund may therefore be better or worse than the performance of another UCI invested in the same asset class that does not incorporate ESG or sustainable development criteria into its investment strategy.

**Information relating to the SFDR and the EU Taxonomy Regulation:**

Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR) establishes the rules regarding transparency and the provision of sustainability-related information.

The Fund promotes environmental and/or social and governance characteristics in accordance with Article 8 of the SFDR and partially invests in sustainable investments within the meaning of this regulation.

A sustainable investment within the meaning of the SFDR consists of:

- an investment in an economic activity that contributes to an environmental objective, measured, for example, using key indicators regarding the efficient use of resources involving the use of energy, renewable energy, commodities, water and land, waste production and greenhouse gas emissions or effects on biodiversity and the circular economy, or
- an investment in an economic activity that contributes to a social objective, in particular investments that contribute to the fight against inequality or that promote social cohesion, social integration and working relationships, or
- an investment in human capital or economically or socially disadvantaged communities,

provided that these investments do not cause extensive harm to any of these objectives and the companies in which investments are made follow good governance practices, in particular with regard to healthy management structures, dealings with staff, remuneration for skilled employees and compliance with tax obligations.

As part of its non-financial approach, the Management Company incorporates the risks associated with sustainable investment in its investment decisions. The extent and manner in which sustainable investment issues and risks are incorporated into its strategy will vary according to a number of factors such as asset class, geographical area and the financial instruments used.



The Management Company also takes into account the principal adverse impacts (PAI) on sustainability factors when managing the Fund, by applying its responsible business conduct and sector exclusions policy and/or other pillars of its sustainable investment approach. These are set out in the Management Company's adverse sustainability impacts transparency statement (the "PAI Statement").

PAIs are brought about by investment decisions that have adverse impacts on sustainability factors associated with environmental, social and personnel issues, respect for human rights, and the fight against bribery and corrupt practices.

Depending on the nature of the investments, the following key indicators are taken into account and addressed or mitigated when managing the Fund, as set out in the PAI Statement:

(i) Mandatory indicators that apply to investments in companies:

1. Greenhouse gas (GHG) emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity sensitive areas
8. Emissions to water
9. Hazardous and radioactive waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Diversity within governance bodies
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

(ii) Voluntary indicators that apply to investments in companies:

Environment:

- Investments in companies that have not taken action to reduce their carbon emissions

Social:

- Lack of a supplier code of conduct
- Lack of a human rights policy

(iii) Indicators that apply to investments in sovereign or supranational bonds.

- GHG intensity
- Investee countries subject to social violations

Further information can be found on the management company's website.

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on establishing a framework for promoting sustainable investments (Taxonomy Regulation) aims to establish criteria for determining whether an economic activity is environmentally sustainable.

The European Taxonomy Regulation is a classification system that establishes a list of economic activities which are environmentally sustainable according to criteria established in view of the six climate and environmental objectives defined in this regulation.

The Fund does not commit to a minimum level of investment in economic activities that are considered environmentally sustainable within the meaning of the Taxonomy Regulation and that contribute to the environmental objectives of climate change mitigation and/or adaptation.

In accordance with the provisions of Article 8 of the SFDR and Article 6 of the Taxonomy Regulation, investors are informed of the following:

SFDR classification	Minimum proportion of sustainable investments within the meaning of the SFDR	To what extent are sustainable investments with an environmental objective aligned with the EU taxonomy?			Does this financial product take into account the principal adverse impacts on sustainability factors?
		Minimum percentage of investments aligned with the EU taxonomy <sup>1</sup>  (including sovereign bonds)	Minimum proportion of investments in transition activities <sup>2</sup>	Minimum proportion of investments in enabling activities <sup>3</sup>	
Article 8	10%	0%	0%	0%	Yes

The management company is making efforts to improve its collection of taxonomy alignment data to ensure the accuracy and relevance of its information on this subject. Consequently, updates may subsequently be made to the prospectus.

The principle of "not causing extensive harm" as defined by Taxonomy Regulation only applies to the Fund's underlying investments that take account of the European Union criteria for environmentally sustainable economic activities. The underlying investments for the remaining portion of this Fund do not take into account the European Union criteria for environmentally sustainable economic activities as established by the Taxonomy Regulation.

Economic activities that are not recognised by the Taxonomy Regulation are not necessarily harmful to the environment or unsustainable. Furthermore, other activities that contribute substantially to the environmental and social objectives are not yet necessarily part of the Taxonomy Regulation.

## 2. MAIN ASSET CLASSES USED (EXCLUDING EMBEDDED DERIVATIVES)

The Fund's portfolio is composed of the following asset classes and financial instruments:

- **Equities:** None

- **Debt securities and money market instruments**

The Fund invests up to 100% of its net assets in interest rate products denominated in euros: fixed-rate and/or variable-rate bonds and/or indexed and/or convertible bonds (up to 10% of net assets for the latter two) and up to 20% of its net assets in money market instruments (short-term negotiable securities, medium-term negotiable securities, Euro Commercial Paper, French fixed-rate treasury bills (BTF) or any non-bond government-issued securities with the same characteristics (Italian, multi-year and variable-rate treasury bills (CCT) and so on).

The manager has internal methods for evaluating credit risk when selecting securities for the Fund and does not exclusively or systematically use the ratings issued by rating agencies. The ratings mentioned below are one of the factors used to assess the overall credit quality of an issue or issuer on which the manager bases their own decisions in terms of stock selection.

The Fund invests in bonds which may have a minimum rating of BBB- (Standard & Poor's and Fitch) or Baa3 (Moody's) or a rating deemed equivalent by the Management Company.

The Fund invests in low-sensitivity money market instruments, which may have a minimum long-term issuer rating of Investment Grade (BBB-) (Standard & Poor's) or Baa3 (Moody's) or BBB- (Fitch) or, in the absence of such a rating, a short-term issuer rating of the same level (A3 / P3 / F3), or a rating deemed equivalent by the Management Company.

If the rating of the issue is downgraded by one of the agencies, the Management Company is authorised to sell the security within one month if it deems it to be in the interest of the investors. However, the decision to sell or retain the security must be based on the analysis carried out by the manager.

Private debt may amount to up to 100% of the net assets.

Furthermore, the Fund may invest up to 10% of its net assets in debt securities denominated in currencies other than the euro. These positions will be systematically hedged against currency risk. However, the Fund may have a residual currency risk of up to 2% of the net assets.

<sup>1</sup> The management company relies on third-party data providers for this information.

<sup>2</sup> Transition activities are activities for which low-carbon alternatives do not yet exist and, inter alia, the greenhouse gas emission levels of which are the best they can be.

<sup>3</sup> Enabling activities directly enable other activities to make a substantial contribution to achieving an environmental objective.

<b><u>Interest rate sensitivity range</u></b>	From 0 to 0.5
<b><u>Exposure range corresponding to the issuers' geographical area</u></b>	All geographic areas

#### **- Units or shares of foreign UCITS, AIFs or investment funds**

The Fund may invest up to 10% of its net assets:

- in units or shares of French and/or European "money market" UCITS or those with an equivalent classification,
- in units or shares of French or European AIFs or investment funds under European foreign law or that do not meet the four conditions laid down in Article R. 214-13 of the French Monetary and Financial Code and that do meet the aforementioned classifications.

The foreign UCITS, AIFs and investment funds mentioned above are managed by BNP PARIBAS ASSET MANAGEMENT and the management companies in the BNP Paribas Group.

### **3. DERIVATIVES**

The Fund may trade on French and/or foreign regulated or over-the-counter futures markets that are authorised by the Decree of 6 September 1989 and its later amendments (for financial instrument contracts only).

The Fund may invest in the following products on such markets:

- interest rate futures
- interest rate options, on futures, currencies
- interest rate and currency swaps
- currency futures
- credit derivatives: Credit Default Swaps (CDS) used for hedging purposes. Credit risk is managed by anticipating changes in the credit spread between one or more sovereign issuers and/or by hedging the risk of default.

The Fund will not use total return swaps.

The overall risk is 100% of the Fund's net assets. This also takes positions on instruments with embedded derivatives into account.

These instruments will all be used to hedge the portfolio against or expose it to interest rate and/or currency and/or credit risks.

As these financial instruments may be entered into with counterparties selected by the Management Company, these counterparties may therefore be companies affiliated to the BNP Paribas Group.

The eligible counterparty (counterparties) has (have) no influence over the composition or management of the Fund's portfolio.

### **4. INSTRUMENTS WITH EMBEDDED DERIVATIVES**

In order to meet its management objective, the Fund may also invest in financial instruments with the following embedded derivatives: French medium-term notes (BMTN), European medium-term notes (EMTNs), credit linked notes (CLN) and convertible bonds. The use of convertible bonds is limited to 10% of net assets. These will be convertible bonds nearing maturity for which the conversion risk into shares will be negligible. These instruments may also be used to hedge the portfolio against or expose it to credit and interest rate risks.

The maximum investment is 100% of the Fund's net assets.

### **5. DEPOSITS**

The Fund may place the equivalent of up to 100% of its net assets on deposit with one or more credit institutions.

**6. CASH BORROWINGS**

In the normal course of operations, the Fund may have a temporary current account deficit and therefore need to borrow cash, subject to a limit of 10% of its net assets.

**7. TEMPORARY PURCHASES AND SALES OF SECURITIES**

In order to manage its cash flow, the Fund may use temporary purchases of securities (within a limit of 100% of its net assets, reverse repurchase agreements) and temporary sales of securities (within a limit of 100% of its net assets, repurchase agreements; and within a limit of 30% of its net assets, securities lending) in accordance with the French Monetary and Financial Code.

When carrying out securities lending, the Management Company will use an agent to identify securities lending transactions.

	Securities lending	Securities borrowing	Reverse repurchase agreements	Repurchase agreements
Maximum proportion of net assets	30%	None	100%	100%
Expected proportion of net assets	26%	None	100%	100%

These transactions will be entered into with counterparties selected by the Management Company from among those institutions whose registered office is located in an OECD or European Union member country referred to in Article R. 214-19 of the French Monetary and Financial Code. They may be carried out with companies affiliated with the BNP Paribas Group. The counterparties must have a good credit rating (equivalent to Investment Grade).

Further information about temporary purchases and sales of securities is given in the "Charges and fees" section.

**8. INFORMATION RELATING TO THE UCITS' COLLATERAL:**

To guard against counterparty default, temporary purchases and sales of securities and transactions on over-the-counter derivative instruments may involve the pledging of securities and/or cash as collateral, and the depositary will hold these securities and/or this cash in segregated accounts.

The eligibility of securities received as collateral is determined in accordance with investment constraints and according to a discount procedure determined by the Management Company's risk department. Securities received as collateral must be liquid and capable of being transferred quickly on the market. The securities received from a single issuer may not exceed 20% of the Fund's net assets (with the exception of securities issued or guaranteed by an eligible OECD member state, in which case this limit may be increased to 100%, provided that this 100% is distributed among six issues, none of which represents more than 30% of the Fund's net assets). They must be issued by an entity that is independent of the counterparty.

Assets
<b>Cash (EUR, USD and GBP)</b>
<b>Interest rate instruments</b>
Securities issued or guaranteed by an eligible OECD member country The Fund may receive securities issued or guaranteed by an eligible member country of the OECD as collateral, to the extent of over 20% of its net assets. Therefore, the Fund may be fully guaranteed by securities issued or guaranteed by a single eligible member country of the OECD.
Supranational securities and securities issued by government agencies
Securities issued or guaranteed by a government of another eligible country
Debt securities and bonds issued by a company whose registered office is located in an eligible member country of the OECD
Convertible bonds issued by a company whose registered office is located in an eligible member country of the OECD
Units or shares of money market UCITS (1)
MMI (money market instruments) issued by companies whose registered office is located in an eligible member country of the OECD or in another eligible country.
<i>(1) UCITS managed by companies belonging to the BNP PARIBAS ASSET MANAGEMENT Holding Group only</i>
<b>Eligible indices &amp; related shares</b>
<b>Securitisations(2)</b>

*(2) Subject to the approval of the BNP PARIBAS ASSET MANAGEMENT France Risk Department*

Collateral other than in cash must not be sold, reinvested or pledged as security and is held by the depositary in a segregated account.

Collateral received in cash may be reinvested in accordance with AMF position no. 2013-06. Cash received may therefore be held on deposit, invested in high-quality government bonds, used in repurchase transactions or invested in short-term money market UCITS.

#### **COLLATERAL:**

In addition to the guarantees referred to in paragraph 8, the Management Company provides collateral on the Fund's assets (financial securities and cash) in favour of the depositary in respect of its financial obligations to the depositary.

#### **RISK PROFILE:**

Investors' money will be primarily invested in financial instruments selected by the Management Company. These instruments will be subject to financial market fluctuations and risks.

The Fund is classified as a "Euro-denominated bonds and other debt securities" mutual fund. Investors are therefore exposed to the following risks:

- Discretionary management risk: The discretionary management style is based on anticipating trends in the various markets (equities, bonds). However, there is a risk that the Fund may not be invested in the best-performing markets at all times.
- Risk of capital loss: Investors should be aware that the performance of the Fund may not meet their objectives and that the amount of capital invested may not be recovered in full.
- Interest rate risk: Interest rate markets have an inverse relationship with interest rates. The Fund uses "sensitivity" criteria to measure the impact of a change in rates, within a range of 0 to 0.5. Sensitivity measures the potential impact of a 1% change in interest rates on the Fund's net asset value. A sensitivity of 0.50 means that a 1% rise in interest rates will produce a 0.50% fall in the Fund's net asset value.
- Credit risk: This is linked to an issuer's ability to honour its debts and to the risk of an issue or issuer being downgraded, which may result in a drop in the value of the debt securities in which the Fund is invested.

- Counterparty risk: This risk is associated with the conclusion of contracts involving forward financial instruments (see the section on "Derivatives" above) or temporary purchases and sales of securities (see the section on "Temporary purchases and sales of securities" above) and results from the failure of a counterparty with whom a contract has been concluded to honour its commitments (e.g. payment or repayment), which may lead to a fall in the net asset value of the Fund.
- Risk of potential conflicts of interest: This risk is associated with the conclusion of temporary purchases/sales of securities in which the Fund's agent, counterparty and/or financial intermediary is an entity linked to the group to which the Fund's Management Company belongs. In this case, there is a risk of conflicts of interest between the interests of the unitholders and those of the group to which the Management Company belongs. The Management Company has introduced a procedure for the management of any conflicts of interest in order to ensure that its unitholders' interests are given priority.
- Risks linked to securities financing transactions and collateral management: Unitholders may be exposed to a legal risk (in conjunction with the legal documentation, the enforcement of contracts and the limits thereof) and to the risk associated with the reuse of cash received as collateral, as the net asset value of the Fund may change in line with fluctuations in the value of the securities acquired by investing the cash collateral received. In exceptional market circumstances, unitholders may also be exposed to liquidity risk, which may, for example, make it difficult to trade certain securities.
- Liquidity risk: For most instruments held in the Fund's assets, the liquidity risk is based primarily on the size and format of the issue, on the issuer category, the nature of the instrument and the quality of the underlying assets. If these risks were to materialise, the net asset value of the Fund could fall.
- Contagion risk: The Fund includes two classes of units known as *hedged units*. The use of futures contracts specific to this unit may incur a contagion risk for certain operational risks and a counterparty risk to other unit classes of the Fund, even if they have not used this type of derivative instrument. The Management Company ensures that this risk is adequately monitored and moderated.
- Sustainability risk: Unmanaged or unmitigated sustainability risks can impact returns on financial products. For example, if an environmental, social or governance event or situation were to occur, it could have an actual or potential negative impact on the value of an investment. The occurrence of such an event or situation may also lead to a modification of the Fund's investment strategy, including the exclusion of the securities of certain issuers. More specifically, the negative effects of sustainability risk may affect issuers by means of a series of mechanisms, including: 1) a decrease in revenues; 2) higher costs; 3) damages or depreciation of asset value; 4) higher cost of capital; and 5) regulatory fines or risks. Due to the nature of sustainability risks and specific issues such as climate change, the likelihood that sustainability risks will impact returns on financial products is liable to increase in the longer term.
- Risk associated with the incorporation of non-financial criteria: A non-financial approach may be implemented in different ways by financial managers, in particular due to the lack of common or harmonised labels at European level. This means that it can be difficult to compare strategies that incorporate non-financial criteria. Indeed, the selection and weighting applied to certain investments can be based on indicators that share the same name but have different meanings. When evaluating a security on the basis of non-financial criteria, the Management Company may also use data sources provided by external providers. Given the evolving nature of the non-financial criteria, these data sources may currently be incomplete, inaccurate or unavailable. The application of responsible business conduct standards and non-financial criteria in the investment process may lead to the exclusion of the securities of certain issuers. Therefore, the financial performance of the Fund may sometimes be better or worse than the performance of similar funds that do not apply these strategies.
- Risk associated with ancillary investments in convertible bonds: The Fund carries a risk of fluctuations in its valuation, due to its exposure to the convertible bond markets. These instruments are indirectly linked to equity markets and interest rate markets (term and credit) and as such, in periods of decline in the equity and interest rate markets, the Fund's net asset value may fall.
- Currency risk: This concerns unitholders in the eurozone and relates to a drop in the listing currencies of the financial instruments used by the Fund, which may result in a drop in the net asset value. Since currency hedging can never be perfect, a residual risk of up to 2% of the assets may arise.
- Risk linked to investments in securities of emerging country issuers up to 5%: The economies of emerging countries are more fragile and more exposed to changes in the global economy. In addition, the financial systems in these countries are less mature. The risks of substantial capital losses or disruptions in the trading of certain financial instruments are not insignificant.

**TARGET INVESTORS AND TYPICAL INVESTOR PROFILE:**

"Classic" unit classes: All investors.

"R" unit class: Reserved for insurance companies to use for insurance contracts.

"Mandat" unit class: All investors. Intended primarily to be offered as part of life insurance or capitalisation contracts from BNP Paribas Group companies and to institutional mandates managed by BNP Paribas Group management companies.

"X" unit class: Reserved for feeder UCITS or AIFs and for institutional mandates managed by BNP Paribas Group management companies.

"I" unit class: All investors. Specifically intended for institutional investors.

"I USD H" unit class: All investors. Specifically intended for institutional investors.

"Privilege" unit class: All subscribers and subscribers advised by independent advisers as defined by MiFiD II (1) and managed under mandate.

*(1) Distributors from member countries of the European Economic Area providing only independent advisory services as defined by MiFiD 2004/39.*

The Fund is aimed at investors seeking steady growth in net asset value in line with a benchmark index (capitalised €STR) less operating and management fees.

The "I USD H" unit class is aimed at investors seeking steady growth in net asset value in line with a benchmark index (Effective Federal Funds Rate) less operating and management fees.

"I Plus" unit class: All investors. Specifically intended for institutional investors.

"I GBP H" unit class: All investors. Specifically intended for institutional investors.

The amount that it is reasonable to invest in this Fund depends on the investor's personal circumstances. To determine this, investors should consider their personal assets, current requirements and requirements over a six-month investment horizon, as well as their willingness to take risks or, alternatively, their preference to invest cautiously. Investors are also strongly advised to diversify their investments sufficiently so that they are not exposed solely to the risks of this Fund.

**INFORMATION RELATING TO US INVESTORS:**

The Management Company is not registered as an investment adviser in the United States.

The Fund is not registered as an investment vehicle in the United States and its units are not and will not be registered pursuant to the Securities Act of 1933; consequently, they may not be offered or sold to the "Restricted Persons" defined below.

Restricted Persons are: (i) any person or entity located in the territory of the United States (including US residents), (ii) any company or other entity governed by the laws of the United States or one of its States, (iii) all United States military personnel or any employee linked to a US department or government agency located outside of the territory of the United States, or (iv) any other person who is considered as a US Person pursuant to Regulation S of the Securities Act of 1933, as amended.

Furthermore, the Fund's units may not be offered or sold to employee benefit plans or to entities whose assets are assets of employee benefit plans, whether subject or not to the provisions of the United States Employee Retirement Income Securities Act of 1974, as amended.

**FATCA:**

By virtue of the provisions of the Foreign Account Tax Compliance Act ("FATCA") applicable with effect from 1 July 2014, if the Fund invests directly or indirectly in US assets, any income deriving from such investments may be liable for a 30% withholding tax.

To avoid having to pay a 30% withholding tax, France and the United States have signed an intergovernmental agreement by virtue of which foreign financial institutions agree to set up a procedure to identify direct or indirect investors who qualify as US taxpayers and to send certain information on these investors to the French tax authorities, which shall forward the information to the US Internal Revenue Service.

As a foreign financial institution, the Fund undertakes to comply with FATCA and take all measures stemming from the aforementioned intergovernmental agreement.

**INFORMATION RELATING TO THE AUTOMATIC EXCHANGE OF INFORMATION (AEOI):**

In order to meet its *Automatic Exchange of Information* (AEOI) obligations, the Management Company may be required to gather and disclose information on the Fund's unitholders to third parties, including the tax authorities, in order to transfer it to the jurisdictions concerned. This information may include (but is not limited to) the identity of unitholders and their direct or indirect beneficiaries, ultimate beneficiaries and the persons controlling them. Unitholders will be required to comply with any request made by the Management Company to provide information enabling the Management Company to comply with its reporting obligations.

For further information regarding their specific situation, unitholders should consult an independent tax advisor.

**RECOMMENDED MINIMUM INVESTMENT PERIOD:** six months

**METHODS FOR DETERMINING AND ALLOCATING DISTRIBUTABLE AMOUNTS:**

For the Classic "C", "R", "Mandat", "X", "I", "I USD H", "Privilege", "I Plus" and "I GBP H" unit classes:

Allocation of net income: accumulation. The Management Company has opted for accumulation. Net income is fully accumulated each year.

Allocation of net realised capital gains: accumulation. The Management Company has opted for accumulation. Net realised capital gains are fully accumulated each year.

For the Classic "D" unit class:

Allocation of net income: distribution. The Management Company has opted for distribution. Net income is fully distributed each year.

Allocation of net realised capital gains: accumulation. The Management Company has opted for accumulation. Net realised capital gains are fully accumulated each year.

**DISTRIBUTION FREQUENCY:**

For the Classic "D" unit class:

Net income: annual; the Management Company may decide to make one or more dividend payments per year.

Net realised capital gains: none.

Interest is recorded using the interest received method.

**CHARACTERISTICS OF UNITS:**

**SUMMARY TABLE SHOWING THE KEY CHARACTERISTICS OF THE UNITS**

UNIT CLASSES	ISIN CODES	ALLOCATION OF DISTRIBUTABLE INCOME	BASE CURRENCY	TARGET INVESTORS	MINIMUM SUBSCRIPTION AMOUNT	FRACTIONING OF UNITS
Classic "C"	FR0010116343	Net income: Accumulation Net realised capital gains: Accumulation	Euro	All investors	Initial subscription: one thousandth of a unit  - Subsequent subscriptions: one thousandth of a unit	Thousandths
Classic "D" class	FR0010116574	Net income: Distribution Net realised capital gains: Accumulation				
"R"	FR0011037746	Net income: Accumulation Net realised capital gains: Accumulation	Euro	Reserved for insurance companies to use for insurance contracts	Initial subscription: one thousandth of a unit  - Subsequent subscriptions: one thousandth of a unit	Thousandths
"Mandat"	FR0011175645	Net income: Accumulation Net realised capital gains: Accumulation	Euro	All investors Intended primarily to be offered as part of life insurance or capitalisation contracts from BNP	Initial subscription: one thousandth of a unit	Thousandths



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				Paribas Group companies and to institutional mandates managed by BNP Paribas Group management companies.	Subsequent subscriptions: one thousandth of a unit	
"X"	FR0011352517	Net income: Accumulation Net realised capital gains: Accumulation	Euro	Reserved for feeder UCITS or AIFs and for institutional mandates managed by BNP Paribas Group management companies.	Initial subscription: one thousandth of a unit - Subsequent subscriptions: one thousandth of a unit	Thousandths
"I"	FR0013263811	Net income: Accumulation Net realised capital gains: Accumulation	Euro	All investors. Specifically intended for institutional investors	Initial Subscription**: EUR 3,000,000 or the equivalent number of units Subsequent subscriptions: one thousandth of a unit	Thousandths
"I USD H"	FR0013347119	Net income: Accumulation Net realised capital gains: Accumulation	USD	All investors. Specifically intended for institutional investors	Initial subscription**: USD 3,000,000 or the equivalent number of units Subsequent subscriptions: one thousandth of a unit	Thousandths
"Privilege"	FR0013301686	Net income: Accumulation Net realised capital gains: Accumulation	Euro	All investors	Initial subscription**: EUR 3,000,000 Subsequent subscriptions: one thousandth of a unit	Thousandths
				For subscribers advised by independent advisers as defined by MiFiD II (1) and managed under mandate	Initial subscription: one thousandth of a unit Subsequent subscriptions: one thousandth of a unit	
"I Plus"	FR00140026N9	Net income: Accumulation Net realised capital gains: Accumulation	EUR	All investors. Specifically intended for institutional investors	Initial subscription**: EUR 100,000,000 or the equivalent number of units Subsequent subscriptions: one thousandth of a unit	Thousandths
"I GBP H"	FR00140026O7	Net income: Accumulation Net realised capital gains: Accumulation	GBP	All investors. Specifically intended for institutional investors	Initial subscription**: GBP 3,000,000 or the equivalent in number of units Subsequent subscriptions:	Thousandths

					one thousandth of a unit	
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\*The "I USD H" and "I GBP H" units are hedged against currency risk.

\*\*These minimum subscription amounts do not apply to the Management Company, the depositary or any other entity belonging to the BNP Paribas Group, which may subscribe for only one thousandth of a unit.

1) Distributors from member countries of the European Economic Area providing only independent advisory services as defined by MiFiD 2004/39.

**SUBSCRIPTIONS AND REDEMPTIONS:**

Orders are executed in accordance with the table below:

Business D	Business D	D: NAV calculation date	Business D+1	Business D+1	Business D+1
Subscription orders cleared before 2.00 p.m. <sup>(1)</sup>	Redemption orders cleared before 2.00 p.m. <sup>(1)</sup>	Latest execution of the order in D	Publication of net asset value	Subscriptions settled	Redemptions settled

<sup>(1)</sup> Unless there is a specific deadline agreed with your financial institution.

Subscription requests may be expressed as an amount, in whole units or fractions of units, as each unit is divided into thousandths.

Redemption requests may be expressed in whole units or fractions of units, as each unit is divided into thousandths.

Requests received on Saturdays are cleared on the next business day.

**MINIMUM SUBSCRIPTION AMOUNT:**

**Initial subscription:**

"Classic" unit classes: one thousandth of a unit

"R" unit class: one thousandth of a unit

"Mandat" unit class: one thousandth of a unit

"X" unit class: one thousandth of a unit

"I" unit class: EUR 3,000,000 or the equivalent in number of units

"I USD H" unit class: \* USD 3,000,000 or the equivalent number of units

"Privilege" unit class:

- For all subscribers: \* EUR 3,000,000

- For subscribers advised by independent advisers as defined by MiFiD II (1) and managed under mandate: one thousandth of a unit

*(1) Distributors from member countries of the European Economic Area providing only independent advisory services as defined by MiFiD 2004/39.*

"I Plus" unit class: \*EUR 100,000,000 or the equivalent number of units.

"I GBP H" unit class: \*GBP 3,000,000 or the equivalent number of units.

\* These minimum subscription amounts do not apply to the Management Company, the depositary or any other entity belonging to the BNP Paribas Group, which may subscribe for only one thousandth of a unit.

**Subsequent subscriptions:**

"Classic" unit classes: one thousandth of a unit

"R" unit class: one thousandth of a unit

"Mandat" unit class: one thousandth of a unit

"X" unit class: one thousandth of a unit

"I" unit class: one thousandth of a unit

"I USD H" unit class: one thousandth of a unit

"Privilege" unit class: one thousandth of a unit

"I Plus" unit class: one thousandth of a unit

"I GBP H" unit class: one thousandth of a unit

**DELEGATED INSTITUTION AUTHORISED TO CLEAR SUBSCRIPTIONS AND REDEMPTIONS: BNP PARIBAS**

**INITIAL NET ASSET VALUE:**

"Classic" unit classes: EUR 200

"R" unit class: EUR 200

"Mandat" unit class: EUR 1,000

"X" unit class: EUR 1,000

"I" unit class: EUR 100,000

"I USD H" unit class: USD 100,000

"Privilege" unit class: EUR 99,946,159

"I Plus" unit class: EUR 100,000

"I GBP H" unit class: GBP 100,000

**DATE AND FREQUENCY OF CALCULATION OF THE NET ASSET VALUE:**

Daily, except for Saturdays, Sundays, statutory public holidays in France, and days on which the French markets are closed (according to the official Euronext calendar).

**CHARGES AND FEES****SUBSCRIPTION AND REDEMPTION FEES:**

General definition: subscription fees increase the subscription amount paid by the investor, while redemption fees decrease the redemption proceeds paid to the investor. The fees charged by the Fund serve to offset the costs incurred by the Fund when investing or divesting investors' monies. The remaining fees are paid to the Management Company, the promoter, etc.

<b>CHARGES PAYABLE BY THE INVESTOR, DEDUCTED AT THE TIME OF SUBSCRIPTION AND REDEMPTION</b>	<b>BASIS</b>	<b>RATE/SCALE</b>
<b>SUBSCRIPTION FEE NOT PAYABLE TO THE FUND</b>	Net asset value x number of units	<p>Classic unit classes: maximum 2%            "R" unit class: maximum 1%            "Mandat" unit class: maximum 9%            "X" unit class: maximum 9%**            "I" unit class: maximum 2%            "I USD H" unit class: maximum 2%            "Privilege" unit class: maximum 2%            "I Plus" unit class: maximum 2%            "I GBP H" unit class: maximum 2%</p> <p>*Exemption: subscriptions made as part of the sale of life insurance or capitalisation contracts from BNP Paribas Group companies and to institutional mandates managed by BNP Paribas Group management companies.</p> <p>**Exemption: none for subscriptions of feeder UCITS or AIFs and to institutional mandates managed by BNP Paribas Group management companies.</p>
<b>SUBSCRIPTION FEE PAYABLE TO THE FUND</b>	/	None
<b>REDEMPTION FEE NOT PAYABLE TO THE FUND</b>	/	None
<b>REDEMPTION FEE PAYABLE TO THE FUND</b>	/	None

**Fees charged to the Fund:**

These charges cover the financial management charges paid to the Management Company, the administrative charges external to the Management Company and the maximum indirect charges (management fees and charges).

A portion of the costs charged to the Fund may also be used to remunerate the Fund's distributor(s) for the advisory and investment services provided (between 28% and 65%, depending on the distributor(s) and the type of unit).

The costs charged may also include:

- performance fees. These reward the Management Company if the Fund exceeds its performance objective.
- transaction fees charged to the Fund.

FEES CHARGED TO THE FUND	BASIS	RATE/SCALE
<p><b>FINANCIAL MANAGEMENT FEES AND ADMINISTRATIVE FEES EXTERNAL TO THE MANAGEMENT COMPANY</b></p>	<p>Net assets, less deductions made for UCIs in the portfolio</p>	<p>"Classic" unit classes: Maximum 0.50% (incl. tax) "R" and "I Plus" unit classes: Maximum 0.25% (incl. tax) "Mandat" unit class: Maximum 0.70% (incl. tax) "X" unit class: Maximum 0.08% (incl. tax) "I", "I USD H" and "I GBP H" unit classes: Maximum 0.30% (incl. tax) "Privilege" unit class: Maximum 0.25% (incl. tax)</p>
<p><b>TRANSACTION FEES</b></p>	<p>/</p>	<p>None</p>
<p><b>PERFORMANCE FEE</b></p>	<p>Daily net assets</p>	<p>"Classic", "R", "Mandat", "I", "Privilege" and "I Plus" unit classes: 20% inclusive of tax of a performance exceeding or equal to the composite benchmark 80% capitalised €STR + 20% Bloomberg Barclays Euro Aggregate 1–3 Years over the reference period (1)  "I USD H" unit classes: 20% inclusive of tax of a performance exceeding or equal to that of the composite benchmark 80% Effective Federal Funds Rate + 20% Bloomberg Barclays Euro Aggregate 1–3 Years hedged in US dollars over the reference period (1)  "I GBP H" unit classes: 20% inclusive of tax of a performance exceeding or equal to the composite benchmark 80% SONIA + 20% Bloomberg Barclays Euro Aggregate 1–3 Years hedged in pounds sterling over the reference period (1)</p>

**(1) METHOD FOR CALCULATING THE PERFORMANCE FEE:**

The Fund's performance fee is charged when the performance, after deducting the Fund's fixed management fees, is higher than the performance of the benchmark index over the same period.

The performance fee is 20% incl. tax of the calculated performance and is defined as:

- The performance fee that is accrued each day the net asset value is calculated on the basis of the difference between:
  - o the daily net assets of the Fund, less financial management fees, administrative fees from outside the management company and transaction fees, and before performance fees;
  - o and the net indexed assets, representing the net assets of a virtual fund tracking the same benchmark index and having undergone the same subscription and redemption flows as the Fund.
- If the Fund underperforms compared with the benchmark index, the provision for performance fees will be readjusted via a provision reversal limited to the amount already accrued.

The annual reference period for calculating and possibly deducting the performance fee is the financial year. The duration of the performance reference period has been short since performance fees were introduced.

Performance fees may not be charged until the underperformance of the Fund relative to the benchmark index has been offset over the performance reference period.

Performance fees will be charged if the Fund outperforms its benchmark index, even if the Fund's performance is negative over the reference period.

For all units, the annual reference periods for calculating and deducting the performance fee are between 1 April and 31 March each year.

In the event of redemption, the portion of the provision for performance fees corresponding to the units redeemed finally accrues to the financial manager, and is allocated to the provision for final performance fees. The portion of the provision for performance fees corresponding to the units remaining in the Fund is known as the available provision for performance fees (because it can be called into question).

**Illustrative example:**



FR	EN
Fin année 1	End of year 1
Fin année 2	End of year 2
Fin année 3	End of year 3
Fin année 4	End of year 4
FCP	Fund
Indicateur de référence	Benchmark index
Indicateur de référence réajusté	Readjusted benchmark index

At the end of the first year, the Fund (108) underperformed relative to the benchmark index (110). No performance fee was charged and the benchmark index was not readjusted.

In the second year, the Fund underperformed relative to the benchmark index and then outperformed it. Although the Fund and the benchmark index did not perform well over the period, the Fund performed better than the benchmark index and it was therefore considered to have outperformed the index at the end of the year.

At the end of year two, the Fund (98) was higher than the benchmark index (96). A performance fee was charged and the benchmark index was readjusted.

At the end of year three, the Fund (112) outperformed the readjusted benchmark index (110). A performance fee was charged. The benchmark index was readjusted again.

At the end of year four, the Fund (109) underperformed relative to the benchmark index (111). No performance fee was charged and the benchmark index was not readjusted.

**ADDITIONAL INFORMATION ABOUT TEMPORARY PURCHASES AND SALES OF SECURITIES:**

When applicable, this type of securities lending and operation is carried out under market conditions through BNP Paribas (the Agent), which also serves as the Depository of the Fund and is an entity affiliated with the Management Company.

The Fund receives 70% of the income generated by these transactions; the remaining 30% is shared between the Agent (15%) and the Management Company (15%) for the operational and administrative costs and charges associated with such transactions.

The proceeds from any repurchase and/or reverse repurchase agreements are retained in full by the Fund. Operating costs and charges associated with these repurchase and/or reverse repurchase agreements are not charged to the Fund, as the Management Company meets these costs and charges in full.

The performance of these transactions by the Agent and the Management Company, companies belonging to the same group, may potentially generate a risk of conflict of interest as set out in the "Risk profile" section of the prospectus.

### III – COMMERCIAL INFORMATION

#### III.1 – SUBSCRIPTION AND REDEMPTION OF UNITS

Pursuant to the provisions set out in the prospectus, subscriptions and redemptions of the Fund's units may be made at branches of BNP Paribas and, where applicable, with financial intermediaries affiliated to Euroclear France.

#### III.2 – PROVISION OF INFORMATION TO UNITHOLDERS

##### COMMUNICATION OF THE PROSPECTUS, THE KEY INVESTOR INFORMATION DOCUMENTS AND THE LATEST ANNUAL AND INTERIM REPORTS:

The prospectus, key investor information document and the latest annual and interim reports will be sent out within eight business days of receipt of a written request from the unitholder to BNP Paribas Asset Management – Service Client, TSA 90007, 92729 Nanterre CEDEX, France.

These documents are also available online at [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

The "Voting Policy" document and the report detailing the conditions under which the voting rights have been exercised are also available for consultation at the following address:

Service Marketing & Communication, TSA 90007, 92729 Nanterre CEDEX, France  
or online at [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

If a request for information pertaining to a vote on a resolution remains unanswered after one month, the investor should take this as confirmation that the Management Company has voted in accordance with the principles set out in the "Voting Policy" document and with the suggestions of its governing bodies.

Additional information can be obtained from branches of BNP PARIBAS.

##### - COMMUNICATION OF THE NET ASSET VALUE:

The net asset value is available from branches of BNP PARIBAS and online at [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

##### - AVAILABILITY OF THE FUND'S MARKETING DOCUMENTATION:

The Fund's marketing documentation may be obtained by unitholders from branches of the BNP PARIBAS Group and online at [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

##### - INFORMATION PROCEDURE WHEN CHANGING THE FUND'S OPERATING CONDITIONS:

Unitholders will be notified of any changes to the Fund's operating procedures, either individually, via the press or by any other means that conforms to the provisions of the AMF instruction no. 2011-19. Where appropriate, this notification may be issued by Euroclear France or by financial intermediaries affiliated to Euroclear France.

**- DISCLOSURE OF THE COMPOSITION OF THE PORTFOLIO TO INVESTORS SUBJECT TO THE REQUIREMENTS OF DIRECTIVE 2009/138/EC (SOLVENCY II DIRECTIVE):**

Under the conditions laid down by AMF position 2004-07, the Management Company may disclose the composition of the Fund's portfolio to unitholders subject to the requirements of the Solvency II Directive, no sooner than 48 hours after publication of the Fund's net asset value.

**INFORMATION RELATING TO THE SUSTAINABLE INVESTMENT PROCESS:**

Further information and documents on BNP PARIBAS ASSET MANAGEMENT's approach to sustainable investment are available online at <https://www.bnpparibas-am.com/en/sustainability/>.

**CLASS ACTIONS POLICY**

In accordance with its policy, the Management Company:

- does not participate, in principle, in active class actions (i.e. the Management Company shall not initiate any proceedings, act as a plaintiff or play an active role in a class action against an issuer);
- may participate in passive class actions in jurisdictions where the Management Company believes, at its sole discretion, that (i) the class action is sufficiently cost-effective (for example, when the expected income exceeds the foreseeable costs incurred for the proceedings); (ii) the outcome of the class action is sufficiently predictable; and (iii) the relevant data required to evaluate the eligibility of the class action is reasonably available and can be managed in an efficient and sufficiently reliable way;
- shall transfer all sums received by the Management Company as part of a class action, net of external costs incurred, to the funds involved in the class action concerned.

The Management Company may modify its class actions policy at any time and may, under special circumstances, diverge from the principles described above.

The policy's principles with regard to class actions applicable to the Fund are available on the Management Company's website.

**- INFORMATION AVAILABLE FROM THE AUTORITE DES MARCHES FINANCIERS:**

The AMF website ([www.amf-france.org](http://www.amf-france.org)) provides additional information on the list of regulatory documents and all the provisions relating to investor protection.

**IV – INVESTMENT RULES**

The investment rules, regulatory ratios and temporary provisions applicable under the current regulations are derived from the French Monetary and Financial Code.

The principal financial instruments and investment techniques used by the Fund are specified in Section II.2 of the prospectus, entitled "Special provisions".

**V – TOTAL RISK**

The Fund's total risk is calculated using the commitment method.

**VI – ASSET VALUATION AND ACCOUNTING RULES****VI.1 – ASSET VALUATION RULES**

The Fund complies with the accounting rules laid down by the regulations in force and, in particular, with the chart of accounts for UCITS.

The Fund's accounting currency is the euro.

All transferable securities held in the portfolio are recognised on an historical cost basis, excluding charges. Securities, forward financial instruments and options held in the portfolio that are denominated in a foreign currency are converted to the accounting currency based on the exchange rates in Paris on the valuation day.



The portfolio is valued each time the net asset value is calculated, and at the end of the accounting period, using the following methods:

**- LISTED FINANCIAL INSTRUMENTS:**

Listed financial instruments are valued at their stock market value, including accrued coupons.

However, financial instruments whose price has not been recorded on the valuation day or whose price has been adjusted, and securities not traded on a regulated market, are valued under the responsibility of the Management Company at their probable trading value. These valuations and their justification are notified to the auditors when their audits are carried out.

**- UCIs:**

UCIs are valued at their last known net asset value. If this is not available, they are valued using their last estimated net asset value.

**- NEGOTIABLE DEBT SECURITIES AND SIMILAR SECURITIES:**

Negotiable debt securities and similar securities that are not subject to significant transactions are valued using the actuarial method at a rate applicable to issues of equivalent securities, to which a variance representative of the intrinsic features of the issuer is assigned, if appropriate. In the absence of sensitivity, securities with a residual term of three months are valued at the last rate prior to maturity, and for those acquired for periods of less than three months, interest is calculated on a straight-line basis.

**- TEMPORARY PURCHASES AND SALES OF SECURITIES:**

When securities are lent, the receivable representing the securities lent is valued at the securities' market value.

When securities are borrowed, the securities borrowed and the corresponding debt are valued at the securities' market value.

Collateral: for securities accepted as a collateral in connection with securities lending transactions, the UCITS has chosen to include in the appendices a list of the securities received and the debt corresponding to the obligation to return these securities.

**- FORWARD FINANCIAL INSTRUMENTS:**

- Futures are valued at the previous day's settlement price.

The off-balance sheet valuation is calculated based on the nominal value, the settlement price and, where applicable, the exchange rate.

- Options are valued at the day's closing price or, if this is not available, at the last known price.

The off-balance sheet valuation is calculated based on its underlying equivalent according to the delta and the price of the underlying asset and, where applicable, the exchange rate.

Securities received as collateral are valued on a daily basis at the market price.

**VI.2 – ACCOUNTING METHOD**

Interest on bonds and debt securities is recorded using the interest received method.

**VII – REMUNERATION**

The Management Company's remuneration policy has been designed to protect clients' interests, to prevent conflicts of interest and to ensure that there is no incentive to take excessive risks.

It applies the following principles: paying for performance, sharing wealth creation, aligning the long-term interests of employees and the company and encouraging an element of employee financial participation in risks.

Details of the up-to-date remuneration policy, including, in particular, the persons responsible for allocating remuneration and benefits and a description of how these are calculated, are available online at

<http://www.bnpparibas-am.com/en/remuneration-policy/>. Paper copies are available free of charge from the Management Company, on written request.

**Prospectus publication date: 1 October 2022**

<b>ADDITIONAL INFORMATION FOR INVESTORS IN THE FEDERAL REPUBLIC OF GERMANY</b>
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**Facilities in the Federal Republic of Germany according to section 306a (1) of the Investment Code**

The prospectus, the key investor information documents, the management regulations and the annual and semi-annual reports may be obtained, free of charge, in hardcopy form at BNP Paribas Asset Management France, Zweigniederlassung Frankfurt am Main, Senckenberganlage 19, 60325 Frankfurt, during normal opening hours.

Applications for the redemptions and conversion of shares may be sent to BNP Paribas 16, boulevard des Italiens 75009 Paris. All payments to investors, including redemption proceeds and potential distributions may, upon request, be paid through BNP Paribas 16, boulevard des Italiens 75009 Paris. The issue, redemption and conversion prices, the net asset value as well as any notices to investors are also available from BNP Paribas 16, boulevard des Italiens 75009 Paris.

Information and access to procedures and arrangements referred to in Article 15 of Directive 2009/65/EC relating to investors' exercise of their rights can be obtained from BNP Paribas Asset Management France, 1, boulevard Haussmann, 75009 Paris, France (AMFR.CLIENTSERVICE@bnpparibas.com phone number: +33 1 58 97 00 00).

In addition, the issue and redemption prices are published on [www.bnpparibas-am.de](http://www.bnpparibas-am.de).

No units of EU UCITS will be issued as printed individual certificates.

In addition, communications to investors in the Federal Republic of Germany will be made available by means of a durable medium (section 167 of the Investment Code) in the following cases:

- suspension of the redemption of the units,
- termination of the management of the fund or its liquidation,
- any amendments to the company rules which are inconstant with the previous investment principles, which affect material investor rights or which relate to remuneration and reimbursement of expenses that may be paid or made out of the asset pool,
- merger of the fund with one or more other funds and
- the change of the fund into a feeder fund or the modification of a master fund.

**BNP PARIBAS ASSET MANAGEMENT France**

1 boulevard Haussmann

75009 Paris, France

Paris Trade Companies Register no. 319 378 832

**MUTUAL FUND REGULATIONS**

**BNP PARIBAS BOND 6 M**

**PART I**

**ASSETS AND UNITS**

**ARTICLE 1 – Co-ownership units**

Co-owners' rights are expressed in units, with each unit corresponding to the same fraction of the assets of the Fund or, if applicable, the sub-fund. Each unitholder has a right of co-ownership to the Fund's assets, proportional to the number of units held.

The term of the Fund is 99 years from its incorporation, except in the event of early dissolution or extension, as provided for in these regulations.

If the Fund is a UCITS with sub-funds, each sub-fund issues units representing the assets of the Fund that are allocated to it. In such cases, the provisions of these regulations applicable to units of the Fund shall apply to units issued to represent the assets of the sub-fund.

The Fund may issue different unit classes, the characteristics and eligibility requirements of which are described in the Fund's prospectus.

The different unit classes may:

- have different income distribution methods;
- be denominated in different currencies;
- incur different management fees;
- charge different subscription and redemption fees;
- have a different nominal value;
- be partially or fully hedged as a matter of course, as defined in the prospectus. This hedging is achieved by means of financial instruments, thereby minimising the impact of the hedging transactions on the Fund's other unit classes;
- be reserved for one or more distribution networks.

The Management Company's governing body or its Chairman may decide to split the units into tenths, hundredths, thousandths or ten-thousandths, referred to as fractions of units.

The provisions of the regulations governing the issue and redemption of units will also apply to fractions of units, the value of which will always be proportional to that of the unit that they represent. Unless otherwise stipulated, 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.

The Management Company's governing body or its Chairman may unilaterally decide to divide the units by creating new units, which are allocated to unitholders in exchange for their old units.

If the Fund is a feeder UCITS, unitholders of this feeder UCITS will receive the same information as they would if they held units or shares in the master UCITS.

## **ARTICLE 2 – Minimum assets**

Units cannot be redeemed if the assets of the Fund or, if applicable, a sub-fund, fall below the threshold established by the regulations. If the assets remain below this amount for thirty days, the Management Company shall take the steps required to liquidate the UCITS in question, or carry out one of the transactions mentioned in Article 411-16 of the AMF General Regulations (transfer of the UCITS).

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

Units are issued at any time following receipt of subscription orders from unitholders on the basis of their net asset value plus subscription fees, where applicable.

Subscriptions and redemptions will be settled under the conditions and according to the procedures defined in the prospectus.

Units of the Fund may be listed on a stock exchange in accordance with the regulations in force.

Subscriptions must be fully paid up on the day on which the net asset value is calculated. Payment may be made in cash and/or in the form of a contribution of financial instruments. The Management Company is entitled to refuse the securities offered and, for this purpose, has seven days from the date of their deposit to communicate its decision. If accepted, the securities are valued in accordance with the rules set out in Article 4, and the subscription is based on the first net asset value following acceptance of the securities in question.

Redemptions are made in cash.

Redemptions may also be made in kind. If the redemption in kind corresponds to a share representing the assets of the portfolio, then only a written agreement signed by the outgoing unitholder must be obtained by the UCITS or the Management Company. When the redemption in kind does not correspond to a share representing the assets of the portfolio, all unitholders must provide their written agreement authorising the outgoing unitholder to redeem their units against certain specific assets, as defined explicitly in the agreement.

In general, redeemed assets are valued according to the rules set out in Article 4 and redemptions in kind are made based on the first net asset value following acceptance of the securities concerned. Redemptions are settled by the delegated issuer within five days of the units being valued.

However, if, in exceptional circumstances, the repayment requires the prior sale of assets held in the Fund, this deadline may be extended up to a maximum of 30 days.

Other than in the event of inheritance or *inter vivos* gifts, the sale or transfer of units between unitholders, or from unitholders to a third party, is equivalent to a redemption followed by a subscription; if it involves 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 amount 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 suspend redemption of units by the Fund and the issue of new units.

If the net assets of the Fund (or a sub-fund, if applicable) fall below the threshold established by the regulations, no redemptions may be carried out (in the sub-fund in question, if applicable). Minimum subscription conditions may exist, in accordance with the procedures set out in the Fund's prospectus.

Pursuant to paragraph three of Article L. 214-8-7 of the French Monetary and Financial Code, the UCITS may cease to issue units either temporarily or permanently, partially or totally, in objective situations that require the closure of subscriptions, such as reaching the maximum number of units issued, or the maximum amount of assets, or the expiry of a specified subscription period.

Existing unitholders will be informed by any means of the triggering of this tool, as well as the threshold and the objective situation that led to the decision on partial or total closure. In the event of a partial closure, this notification by any means will specify explicitly the conditions under which existing unitholders may continue to subscribe for the duration of this partial closure. Unitholders will also be informed by any means of the UCITS' or Management Company's decision to either end the total or partial closure of subscriptions (once they fall below the trigger threshold) or not to end their closure (in the event of a change to the threshold or a change to the objective situation that led to the application of this tool).

A change to the objective situation invoked or to the trigger threshold of the tool must always be made in the interests of the unitholders. Information specifying the exact reasons for these changes may be shared via any means.

#### **ARTICLE 4 – CALCULATION OF THE NET ASSET VALUE**

The unit's net asset value is calculated in accordance with the valuation rules set out in the prospectus.

### **PART II**

#### **OPERATION OF THE FUND**

#### **ARTICLE 5 – The Management Company**

The Fund is managed by the Management Company in accordance with the Fund's investment strategy. The Management Company shall act, at all times, in the exclusive interest of the unitholders and has sole authority to exercise the voting rights attached to the securities held in the Fund.

#### **ARTICLE 5B – Operating rules**

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

More than 25% of the Fund is invested in debt securities and similar products.

#### **ARTICLE 6 – The depositary**

The depositary undertakes the tasks incumbent upon it pursuant to the laws and regulations in force as well as those that are contractually entrusted to it by the Management Company. In particular, it must ensure that the decisions taken by the Portfolio Management Company are lawful. Where applicable, it must take all protective measures it deems necessary. In the event of a dispute with the Management Company, the depositary shall inform the AMF.

If the Fund is a feeder UCITS, the depositary must have entered into an agreement to exchange information with the depositary of the master UCITS or, if it is also the depositary of the master UCITS, it must have issued appropriate specifications.

#### **ARTICLE 7 – The statutory auditor**

A statutory auditor is appointed by the Management Company's governing body for six financial years, following authorisation by the AMF.

The statutory auditor certifies that the financial statements are accurate and fair.

The statutory auditor's mandate may be renewed.

The statutory auditor is required to notify the Autorité des marchés financiers as soon as possible of any fact or decision relating to the undertaking for collective investment in transferable securities to which it becomes privy while carrying out an audit that could:

- 1) Constitute a breach of the legislative or regulatory provisions that apply to the Fund and have a significant impact on the Fund's financial position, income or assets;
- 2) Have an adverse effect on operations or on the Fund's ability to continue as a going concern;
- 3) Lead to the expression of reservations or the refusal to certify the financial statements.

The statutory auditor supervises the valuation of the assets and the determination of the exchange ratios used in the event of a conversion, merger or split.

The statutory auditor is responsible for reviewing any contributions or redemptions in kind, except in the case of redemptions in kind for an ETF on the primary market.

The statutory auditor checks the 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 of the portfolio management company on the basis of an agenda indicating all duties deemed necessary.

The statutory auditor certifies the financial statements serving as the basis for the payment of interim dividends.

If the Fund is a feeder UCITS:

- The statutory auditor will have entered into an agreement to exchange information with the statutory auditor of the master UCITS.
- When it is also the statutory auditor of the master UCITS, it must draw up an appropriate schedule of work.

The statutory auditor's fees are included in the management fees.

#### **ARTICLE 8 – The financial statements and the management report**

At the end of each financial year, the Management Company draws up the summary documents and issues a report on the Fund's management and, if applicable, a report on each sub-fund for the previous financial year.

The Management Company issues the inventory of the Fund's assets at least every six months, under the supervision of the depositary.

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

**PART III****DIVIDEND POLICY****ARTICLE 9 – Allocation of income and distributable sums**

The net income for the financial year is equal to the amount of interest, arrears, dividends, premiums and allotments, directors' fees and any other proceeds from the securities comprising the Fund's portfolio, and, if applicable, each sub-fund, plus the income from sums temporarily available, less management fees and borrowing costs.

Distributable income is equal to:

- 1) the net income for the financial year plus retained earnings plus or minus the balance of the accrual account for income from the past financial year, and from the financial years beginning on or after 1 January 2013,
- 2) the capital gains, net of charges, minus the capital losses, net of charges, recorded during the financial year, plus the net capital gains of the same type recorded during previous financial years that have not been reinvested and plus or minus the balance of capital gains accruals.

The sums mentioned in 1) and 2) above may be distributed in part or in full, independently of each other.

The Management Company decides on the allocation of distributable income (income and net realised capital gains). It may also decide to pay interim dividends and/or carry forward the net income and/or net realised capital gains.

The Fund may issue different unit classes, for which the distributable income allocation is described in the prospectus.

**PART IV****MERGER – SPLIT – DISSOLUTION – LIQUIDATION****ARTICLE 10 – Merger – Split**

The Management Company can either assign, in full or in part, the assets included in the Fund to another UCITS that it manages, or split the Fund into two or more other Funds.

These merger or split transactions can only be carried out after the unitholders have been advised of them. A new certificate will be issued after such transactions indicating the number of units held by each unitholder.

The provisions of this article will apply, where appropriate, to each sub-fund.

**ARTICLE 11 – Dissolution – Extension**

If the assets of the Fund or, if applicable, the sub-fund, remain below the amount established in Article 2 above for 30 days, the Management Company shall inform the *Autorité des marchés financiers* and shall dissolve the Fund or, if applicable, the sub-fund, except in the event of a merger with another fund.

The Management Company may dissolve the Fund or, if applicable, a sub-fund, early; it shall advise the unitholders of its decision and, from that date, requests for subscription or redemption will no longer be accepted.

The Management Company shall also dissolve the Fund or, if applicable, the sub-fund, if there is a request for redemption of all of the units, termination of the depositary's function when another depositary has not been appointed, or on expiry of the term of the Fund, if it has not been extended.



The Management Company shall advise the AMF by letter of the dissolution date and procedure agreed. It shall then send the statutory auditor's report to the Autorité des marchés financiers.

The Management Company may, in agreement with the depositary, decide to extend a fund. This decision must be taken at least three (3) months prior to the expiry of the intended term of the Fund and the unitholders and the Autorité des marchés financiers must be notified thereof.

#### **ARTICLE 12 – Liquidation**

In the event of dissolution, the Management Company shall assume the duties of liquidator; failing this, the liquidator is appointed by the court at the request of any interested person. For this purpose, it is vested with the widest powers to liquidate assets, pay off any creditors and distribute the available balance among the unitholders in cash or securities.

The statutory auditor and the depositary shall continue to perform their duties until the liquidation is complete.

### **PART V**

#### **DISPUTES**

#### **ARTICLE 13 – Jurisdiction – Address for service**

All disputes relating to the Fund that may arise during the period of its operation or during its liquidation, either between unitholders or between unitholders and the Management Company or the depositary, are subject to the jurisdiction of the competent courts.