

# **AMUNDI ETF MSCI EMU HIGH DIVIDEND UCITS ETF**

## ***Prospectus and Regulations***

# PROSPECTUS

UCITS subject to European Directive 2009/65/EC

## I. GENERAL FEATURES

► **Name:** **AMUNDI ETF MSCI EMU HIGH DIVIDEND UCITS ETF** (the "Fund")

► **Legal form and Member State in which the UCITS has been set up:** French Mutual Fund (FCP)

► **Launch date and scheduled term:** The Fund was approved by the French Market Regulator (AMF) on 03 February 2009 and launched on 26 February 2009 for an anticipated duration of 99 years.

► **Summary of the management offer:**

ISIN code	Allocation of distributable income	Denomination currency	Net asset value calculation frequency	Initial Net Asset Value	Minimum initial subscription	Minimum subsequent subscription	Eligible subscribers
FR0010717090	Accumulation	euro	Daily	EUR 40.12	Primary market 2500 unit(s)  Secondary market 1 unit(s)	Primary market 1 unit(s)  Secondary market 1 unit(s)	All subscribers

► **Address from which the latest annual and periodic report may be obtained:**

The latest annual report and interim statements will be sent to investors within eight working days upon written request from the unitholder to:

### **Amundi Asset Management**

Amundi ETF  
91-93, Boulevard Pasteur  
CS 21564  
75730 Paris Cedex 15, France  
Tel: +33 (0)1 76 32 47 74  
Email: [info@amundiETF.com](mailto:info@amundiETF.com)

Further details are available from Amundi Asset Management and on its website [amundiETF.com](http://amundiETF.com).

The AMF website ([amf-france.org](http://amf-france.org)) contains further details on the list of regulatory documents and investor protection regulations.

## II. SERVICE PROVIDERS

► **Management Company:**

Amundi Asset Management (the "Management Company")  
A simplified joint-stock company (société par actions simplifiée),  
Portfolio Management Company operating under AMF approval no. GP 04000036  
Registered office: 91-93, Boulevard Pasteur – 75015 Paris, France

► **Depositary and Registrar:**

CACEIS Bank (the "Depositary"),  
Société Anonyme (a French public limited company),  
Main business: Credit institution providing investment services, approved by the Committee of Credit Establishments and Investment Enterprises (CECEI) on 1 April 2005,  
Registered office: 89-91 rue Gabriel Péri, 92120 Montrouge

With regard to regulatory duties and duties contractually entrusted by the Management Company, the Depositary's main tasks are the custody of the UCITS' assets, ensuring that the Management Company's decisions are lawful and monitoring the UCITS' cash flows.

The Depositary and Management Company are part of the same group; as such, in accordance with the applicable regulations, they have implemented a policy for identifying and preventing conflicts of interest. If a conflict of interest cannot be avoided, the Management Company and the Depositary shall take all necessary measures to manage, monitor and report this conflict of interest.

The description of the delegated custodial duties, the list of the Depositary's delegates and sub-delegates and information relating to conflicts of interest that may result from these delegations are available on its website at [www.caceis.com](http://www.caceis.com) or free of charge upon written request.  
Updated information can be provided to unitholders on request.

**► Institution responsible for the centralisation of subscription and redemption orders appointed by the Management Company:**

CACEIS Bank,  
Société Anonyme (a French public limited company),  
Registered office: 89-91 rue Gabriel Péri, 92120 Montrouge  
Main business: Bank and investment services provider approved by CECEI on 1 April 2005.

The Depositary is also responsible, by delegation from the Management Company, for the Fund's general administration, which includes the centralisation of unit subscription and redemption orders and managing the Fund's unit issue account.

**► Independent Auditor:**

DELOITTE & ASSOCIES

6 Place de la Pyramide, 91800 Puteaux

**► Delegated Accounting Manager:**

CACEIS Fund Administration,  
Société Anonyme (a French public limited company),  
Registered office: 89-91 rue Gabriel Péri, 92120 Montrouge

CACEIS Fund Administration is a company of the CREDIT AGRICOLE Group specialising in the administrative and accounting management of UCI on behalf of clients inside and outside the Group.

CACEIS Fund Administration has accordingly been appointed by the Management Company as Delegated Accounting Manager for the valuation and accounting of the Fund. CACEIS Fund Administration is responsible for valuing the assets, establishing the Fund's NAV and preparing its periodic financial statements.

**► Market-makers:**

As at 11 December 2012, the financial institution acting as Market-maker is:

BNP Paribas Arbitrage  
General Partnership (Société en nom collectif)  
Registered office: 160-162 boulevard Mac Donald – 75019 Paris

### **III. OPERATING AND MANAGEMENT PROCEDURES**

#### **III.1 General features**

##### **► Characteristics of units:**

**ISIN code:** FR0010717090

• **Nature of the right attached to the unit class:** each unitholder is entitled to joint-ownership of the Fund's assets proportional to the number of units held.

• **Entry in a register or clarification of fund administration methods:** the Depositary is responsible for fund administration. Units can be cleared through Euroclear France, Clearstream Banking S.A. and Euroclear Bank.

• **Voting rights:** no voting rights are attached to the units; decisions are made by the Management Company. Note: investors will be notified of changes to the Fund's operating arrangements either individually, through the press or by any other means in accordance with current regulations.

• **Form of units:** bearer units.

• **Decimalisation (fractioning), if any:** subscriptions and redemptions are made in whole units.

##### **► Admission of the units to the Euronext Paris NextTrack market:**

Under Article D.214-22-1 of the French Monetary and Financial Code (the "**CMF**"), shares or units of undertakings for collective investment in transferable securities may be listed for trading, provided that these entities have set up a mechanism to ensure that the listed market price of the shares or units does not diverge significantly from a reference price (the "**Benchmark Price**"). The following operating rules developed by Euronext Paris SA apply accordingly to the listing of the Fund's units:

- reservation thresholds are set by applying a 1.5% variation on either side of the Benchmark Price (see "Benchmark Price" section) of Fund units, as published by Euronext Paris SA. These are updated during each session on an estimate basis according to variation of the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index;
- trading of the Fund's units on the Euronext Paris NextTrack market will be suspended in the following cases:
  - suspension or halt of the listing or calculation of the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index by the index provider;
  - suspension of the market(s) on which the securities comprising the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index are listed;
  - if the listed price of the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index is unavailable to Euronext Paris;
  - if Euronext Paris cannot obtain the Fund's NAV for the day and/or publish the Benchmark Price;
  - violation of applicable Euronext Paris rules by a market-maker;
  - failure of Euronext Paris's systems, particularly its IT or electronic systems;
  - if stock market disturbances or difficulties render normal market-making impossible;
  - any other event that prevents the calculation of the Fund's Benchmark Price or the trading of Fund units.

"Market-makers" likewise ensure that the market price of the Fund's units does not diverge by more than 1.5% on either side of the Fund's Benchmark Price, in order to comply with the reservation thresholds set by Euronext Paris SA (see "**Benchmark Price**" section).

► **Financial year-end:** last trading day in December of each year.

► **First financial year-end:** last trading day in December 2009.

## ► Tax treatment:

The Fund is eligible for the Plan d'Épargne en Actions ("PEA" reserved for French tax residents) and life insurance policies. The Fund may provide a support vehicle for life insurance policies denominated in units of account.

The UCITS, by its nature, is not subject to taxation. However, unitholders may be taxed on any income distributed by the UCITS or when they sell UCITS units. The tax treatment applicable to amounts distributed by the UCITS or unrealised or realised capital gains or losses will depend on the individual unitholder's tax situation, residence for tax purposes and/or the investment jurisdiction of the UCITS. Any investor who is unsure of their tax situation should consult a tax advisor or a professional investment consultant to determine the tax rules applicable to their particular situation prior to making any investment. Some income distributed by the UCITS to unitholders residing outside France may be subject to withholding tax in France.

Germany: at least 90% of the Fund will be permanently invested in listed shares. For the purposes of interpreting this ratio, shares issued by REITs (as defined by the German Ministry of Finance) or UCIs are not considered as shares.

### US tax considerations

The Foreign Account Tax Compliance Act (FATCA), which is part of the US Hiring Incentives to Restore Employment Act (HIRE), requires that non-US financial institutions (foreign financial institutions, or FFIs) report to the IRS (the US tax authorities) any financial information relating to assets held by US taxpayers<sup>1</sup> outside of the United States.

In accordance with FATCA regulations, US securities held by any financial institution that does not adhere to or is considered to be non-compliant with the FATCA law will be subject to a withholding tax of 30% on (i) certain income generated from US sources; and (ii) the gross proceeds from the sale or disposal of US assets.

The Fund falls within the scope of FATCA and, as such, unitholders may be asked to provide certain mandatory information.

The United States has entered into an intergovernmental agreement with several governments in order to implement the FATCA law. In this context, the French and US governments have signed an intergovernmental agreement (IGA).

The Fund complies with the IGA Model 1 agreement between France and the United States of America. It is not anticipated that the Fund (or any Sub-Fund) will be subject to a FATCA withholding tax.

The FATCA law requires the Fund to collect certain information about the identity (including ownership, holding and distribution details) of account holders who are US tax residents, entities that control US tax residents, and non-US tax residents who do not comply with the FATCA provisions or who fail to provide any of the accurate, complete and precise information required under the intergovernmental agreement (IGA).

For this purpose, all potential unitholders agree to provide the Fund, its delegated entity or the promoter with any information requested (including, but not limited to, their GIIN).

In the event of any change in circumstances impacting their FATCA status or their GIIN, potential unitholders shall immediately provide written notice to the Fund, its delegated entity or the promoter.

In accordance with the IGA, this information should be communicated to the French tax authorities, who may in turn share it with the IRS or with other tax authorities.

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<sup>1</sup>According to the US Internal Revenue Code, the term "US Person" means an individual who is a US citizen or resident, a partnership or corporation organised in the United States or under the laws of the United States or any State thereof, a trust if (i) a court within the United States has authority under applicable law to hand down orders or judgments concerning substantially all issues regarding the administration of the trust, and (ii) one or more US persons have authority to control all substantial decisions of the trust, or an estate of a decedent who was a citizen or resident of the United States.

Investors who fail to document their FATCA status properly, or who refuse to report their FATCA status or to disclose the required information within the prescribed deadline, may be qualified as recalcitrant and be reported to the relevant tax or government authorities by the Fund or their Management Company.

In order to avoid the potential impacts of the foreign passthru payment mechanism and to prevent any withholding on such payments, the Fund or its delegated entity reserves the right to prohibit any subscription to the Fund or the sale of units or shares to any non-participating FFI (NPFFI)<sup>2</sup>, particularly when such a prohibition is considered legitimate and justified for the protection of the general interests of investors in the Fund.

The Fund and its legal representative, the Fund's Depositary and the transfer agent reserve the right, on a discretionary basis, to prevent or remediate the acquisition and/or direct or indirect holding of units in the Fund by any investor who is in breach of the applicable laws and regulations, or where the latter's involvement in the Fund may have detrimental consequences for the Fund or for other investors, including, but not limited to, FATCA sanctions.

To this end, the Fund may reject any subscription or require the mandatory redemption of units or shares in the Fund in accordance with the provisions set out in Article 3 of the Fund's regulations<sup>3</sup>.

The FATCA law is relatively new and its implementation is ongoing. Although the above information summarises the Management Company's current understanding, this understanding may be incorrect, or the way in which FATCA is implemented could change such that some or all investors are subject to the 30% withholding tax.

The provisions herein are not a complete analysis of all the tax rules and considerations and are not tax-related advice, and they shall not be considered as a complete list of all the potential tax-related risks inherent in subscribing to or holding Fund units or shares. All investors should consult their usual advisors regarding the tax aspects and potential consequences of subscribing, holding or redeeming units or shares by virtue of the laws applicable to such investors and, in particular, by virtue of the rules of disclosure or withholding under FATCA concerning investors in the Fund.

- Automatic Exchange of Information (CRS regulations):

France has signed multilateral agreements on the automatic exchange of information relating to financial accounts, based on the Common Reporting Standard (CRS) ("Norme Commune de Déclaration" or NCD in France) as adopted by the Organisation for Economic Co-operation and Development (OECD).

Under the CRS law, the Fund or the Management Company must provide the local tax authorities with certain information about non-resident Unitholders in France. This information is then communicated to the relevant tax authorities.

The information communicated to the tax authorities includes details such as name, address, tax identification number (NIF), date of birth, place of birth (if it appears in the records of the financial institution), account number, account balance or, if applicable, account value at the end of the year and the payments recorded on the account during the calendar year.

Each investor agrees to provide the Fund, the Management Company or their distributors with the information and documentation required by law (including, but not limited to, their self-certification) as well as any additional documentation that may reasonably be required in order to comply with their reporting obligations under the CRS.

Further information on the CRS is available on the OECD website and the websites of the tax authorities in the agreement signatory states.

Any unitholder who does not respond to requests for information or documents by the Fund:

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<sup>2</sup>NPFFI or non-participating FFI = a financial institution that refuses to comply with FATCA either by refusing to sign a contract with the IRS or by refusing to identify its clients or report to the authorities.

<sup>3</sup>This may also apply to any person (i) who seems to be directly or indirectly in violation of the laws and regulations of any country or any government authority; or (ii) who may, in the opinion of the Fund's Management Company, cause damage to the Fund that it would not have otherwise suffered or incurred.

(i) may be held liable for penalties imposed on the Fund that are attributable to the failure of the unitholder to provide the requested documentation, or attributable to the unitholder providing incomplete or incorrect documentation; and (ii) will be reported to the relevant tax authorities for having failed to provide the necessary information for the identification of their tax residence and their tax identification number.

## **MINIMUM STANDARDS AND EXCLUSION POLICY**

The Management Company applies a Responsible Investment Policy, which consists of a policy of targeted exclusions according to the investment strategy of a given fund (as described in the "Investment Strategy" section where applicable).

The principal adverse impacts of investment decisions (within the meaning of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the "Disclosure Regulation")) are the negative, material or likely-to-be-material effects on sustainability factors that are caused or aggravated by or directly linked to investment decisions. Annex I of the Delegated Regulation supplementing the Disclosure Regulation lists the indicators of the principal adverse impacts.

The Management Company may also consider the principal adverse impacts through its policy of norm-based exclusions. Where applicable, only indicator 14 (Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)) is taken into account. The other indicators and issuers' ESG ratings are not taken into account in the investment process for the funds concerned.

More detailed information on the principal adverse impacts can be found in the Management Company's Sustainable Finance Disclosure Statement available on its website: [www.amundi.com](http://www.amundi.com).

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Investors should be aware that the fiduciary duty and regulatory obligation in passive management is to track an index as closely as possible.

The Management Company must therefore comply with the contractual objective of delivering passive exposure in accordance with the index tracked.

Consequently, the Management Company may be required to invest and/or to remain invested in securities included in an index and affected by serious controversy events, acute sustainability risks or having a significant negative impact on sustainability factors while these events could cause these same securities to be excluded in actively managed funds or in Amundi's ESG ETFs.

## **III.2 Special terms and conditions**

### **► Classification:**

Eurozone equities.

The Fund is a strategy index-tracking Fund.

### **► Investment objective:**

The Fund's investment objective is to replicate, as closely as possible, the euro-denominated performance of the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index (see section "Benchmark index"), whether the Strategy Index rises or falls.

The Fund is managed so as to achieve the smallest possible gap between changes in its NAV and changes in the value of the euro-adjusted 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index (hereinafter the "100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index"). The target for maximum tracking error between changes in the Fund's NAV and those in the euro-adjusted 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index is 2%.

If the tracking error exceeds 2%, the aim would nevertheless be to remain below 15% of the volatility shown by the euro-adjusted 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index.

### **► Benchmark index:**

The Fund's Benchmark Index is the USD-denominated, euro-adjusted MSCI EMU High Dividend Yield Strategy Index with net dividends reinvested (net return).

The MSCI EMU High Dividend Yield Strategy Index is an "equities" index calculated and published by the international index supplier MSCI Inc. ("MSCI"). The equities in the MSCI EMU High Dividend Yield Strategy Index are leading securities traded in the markets of the 10 countries of the European Economic and Monetary Union with the highest dividend yields in their respective countries.

The investment universe for the MSCI EMU High Dividend Yield Strategy Index is derived from the investment universe for the MSCI EMU index. The MSCI EMU High Dividend Yield Strategy Index is a sub-category of the MSCI EMU Index.

The MSCI EMU High Dividend Yield Strategy Index shares the following basic features with the MSCI indices:

- a) it belongs to MSCI's range of "investable" equity indices, which are segmented by size, style and industry;
- b) securities included in the MSCI EMU High Dividend Yield Strategy Index are float-adjusted;
- c) classified by sector according to the Global Industry Classification Standard (GICS).

MSCI's methodology and calculation methods mean that the number of stocks making up the MSCI EMU High Dividend Yield Strategy Index varies. On 28/11/2014\*, the MSCI EMU High Dividend Yield Strategy Index consisted of 35 components and included securities from the following 10 countries: Austria, Belgium, Finland, France, Germany, Ireland, Italy, Netherlands, Portugal and Spain.

\* Source MSCI

The full methodology of the construction of the MSCI EMU High Dividend Yield Strategy Index is available on the MSCI website: [mscibarra.com](http://mscibarra.com)

The performance tracked is the closing price of the MSCI EMU High Dividend Yield Strategy Index.

#### • **100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index publication**

The MSCI EMU High Dividend Strategy Index is calculated by MSCI using the official closing prices of those stock exchanges listing the Index components.

The 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index closing price is available on the MSCI website: [msci.com](http://msci.com).

The 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index is also calculated on each Trading Day.

The 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index is available via Reuters and Bloomberg.

Via Reuters: .dMYEM00000NUS

Via Bloomberg: M1EMHDVD

#### • **100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index revision**

MSCI indices are designed to reflect changes in equity markets as closely as possible. For this reason, they are regularly revised to take account of changes affecting a stock's capitalisation (number of shares and float) or its sector classification.

The main revisions are as follows:

real-time revisions for major changes in a company's capital structure (merger/acquisition, large rights issues or IPOs etc.);

quarterly revisions (end of February, May, August and November) to take significant market events into account;

half-yearly revisions (end of May and November) for rebalancing;

annual full revision (end of May) of the investment universe of all the countries covered by the indices.

100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index revision rules are published by MSCI and available on the MSCI website: [msci.com](http://msci.com).

**Benchmark index applicable to the Fund's investment objective:**



As at the date of the most recent update to this prospectus, the administrator of the MSCI Limited benchmark index was not yet registered in the ESMA register of administrators and benchmark indices.

Pursuant to Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company has put in place a procedure for monitoring the benchmark indices used, which sets out the action to be taken in the event that a benchmark materially changes or ceases to be provided.

► **Investment strategy:**

The Fund is managed "passively".

**1. Strategy employed:**

The Fund is managed using a technique known as "index-tracking", the objective of which is to track changes in the performance of the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index using a synthetic replication method.

To maintain the closest possible correlation with the performance of the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index, the Fund will buy a diversified portfolio of equities (the "Portfolio") and an over-the-counter (OTC) total return swap, a financial derivative instrument which turns the exposure to the Portfolio into an exposure to the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index.

The Fund shall observe the investment rules stipulated in Articles R.214-21, R.214-22 and R.214-23 of the French Monetary and Financial Code.

The Portfolio comprising directly held assets described in the "Assets used" section, complies with the provisions of Article R 214-21 of the French Monetary and Financial Code (CMF).

The Fund's exposure to the Index, achieved through the total return swap, may benefit from the exemption ratios applicable to index-linked UCITS under Article R.214-22 of the French Monetary and Financial Code. That Article stipulates that an index may comprise up to 20% equities or debt securities issued by the same entity; this limit may be raised to 35% maximum for a single issuing entity, when such increase is justified by special market circumstances such as the regulated markets where some marketable securities or some money-market instruments are largely dominant.

**2. Assets used (except embedded derivatives):**

The Fund's exposure to the Index is achieved through the total return swap.

The Portfolio consists of the Fund's directly held assets as described below.

- Equities:

The Fund will be permanently 60% exposed at least to one or more markets for equities issued in one or more Eurozone countries.

Up to 100% of the Fund's net assets will be invested, subject to the legal and regulatory ratios, in international equities (any economic sector, traded on any market). However, in the event of adjustments associated with subscriptions/redemptions, investments may exceed this limit on a residual basis.

The equities in the Fund's assets will consist of equities included in the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index and other international equities, from all economic sectors, including small-cap markets. The equities in the Fund's assets will be chosen to limit costs associated with reproducing the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index.

Over 75% of the portfolio's value will, at all times, consist of stocks of companies registered in a Member State of the European Union, or in another State which is part of the European Economic Area (EEA) and has signed a tax convention with France that provides for administrative assistance to prevent fraud and tax avoidance. This minimum level of equity exposure makes the Fund eligible for the Plan d'Épargne en Actions (French Stock Savings Plan – PEA).

At least 90% of the Fund will be permanently invested in listed shares. For the purposes of interpreting this ratio, shares issued by REITs (as defined by the German Ministry of Finance) or UCIs are not considered as shares.

- Interest rate instruments: up to 25% of the Fund's net assets may be invested in any kind of bond instruments.

Portfolio securities will be selected according to management decision and in compliance with the internal credit risk monitoring policy of the Management Company.

For the purpose of stock-picking, the management does not, neither exclusively nor mechanically, rely on the ratings issued by rating agencies, but bases its buy and sell convictions of a security on its own credit and market analyses. For information, management may specifically deal in securities with minimum ratings of BBB- by S&P and Moody's ("investment grade" rating) at the time of purchase.

The bond issuers selected may be from the private sector or from the public sector (national or local governments etc.), and private sector debt may account for up to 100% of all debt instruments.

Foreign debt instruments will be denominated in the currency of one of the OECD member countries.

In order to meet its investment objective and/or manage intermediate financial flows, the Fund may hold up to 10% of its assets in the following:

- Debt instruments and money market instruments in euros: cash flow will be managed through money market instruments.

Portfolio securities will be selected according to management decision and in compliance with the internal credit risk monitoring policy of the Management Company.

For the purpose of stock-picking, the management does not, neither exclusively nor mechanically, rely on the ratings issued by rating agencies, but bases its buy and sell convictions of a security on its own credit and market analyses. For information, management may specifically deal in securities with minimum ratings of AA by S&P and Moody's.

The bond issuers selected may be from the private sector or from the public sector (national or local governments etc.), and private sector debt may account for up to 100% of all debt instruments. The average maturity of these instruments will not exceed ten years.

- UCITS units or shares:

The Fund may hold up to 10% of its assets in units and/or shares of UCITS. These UCITS are representative of all asset classes, in compliance with the Fund's requirements.

They may be UCITS managed by the Management Company, or by other entities, which may or may not belong to the Crédit Agricole SA Group, including related companies.

The securities held in the replacement portfolio will be selected in accordance with the applicable provisions in Amundi's general responsible investment policy.

### **3. Derivatives:**

The Fund will use OTC derivative financial instruments, including forward financial instruments such as total return swaps that swap the value of equities held by the Fund for the value of the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index.

The Fund may take positions in the following derivatives:

• Type of markets in which investments are made:

- ☐ regulated
- ☒ organised
- ☒ OTC

• Categories of risk in which the Fund intends to take a position:

- ☐ equity risk
- ☐ interest rate
- ☒ currency

- ☐ credit
- ☐ volatility

• Types of transactions and description of all operations that must be limited to the achievement of the investment objective:

- ☐ hedging
- ☒ exposure
- ☐ arbitrage
- ☐ trading
- ☐ other

• Type of instruments used:

- ☐ futures: on equities and indices
  - ☒ options: on equities and indices
  - ☐ total return swaps: on equities and indices.
- The Fund may enter into exchange contracts in two combinations from the following types of flows:
- ☒ - fixed rate
  - ☒ - variable rate (indexed to the Eonia, Euribor, or any other market benchmark)
  - ☐ - performance linked to one or more currencies, equities, stock market indices or listed securities, UCIs or investment funds
  - ☐ - dividends (net or gross)
  - ☒ forward foreign exchange contracts
  - ☐ other

• Strategy of using derivatives to achieve the investment objective:

- ☐ constructing synthetic exposure to a particular security, sector and/or to the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index through the use of total return swaps.
- ☒ management of intermediate cash flows (dividends, subscriptions/redemptions etc.) to reach the desired degree of exposure to a particular stock and/or sector and/or to the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index via the use of futures.
- ☒ management of intermediate cash flows (dividends, subscriptions/redemptions etc.) to reach the desired degree of exposure to a particular stock and/or sector and/or to the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index via the use of options.

These instruments may be used to hedge up to 100% of the Fund's net assets.

For information purposes, when the Fund is being set up, total return swaps represent approximately 100% of net assets and they represent up to 110% during its life cycle.

The assets held by the Fund and on the performance of which the total return swaps focus are retained by the Depositary.

Total return swaps are kept in position in the Depositary's books.

The commitments arising from derivatives may not exceed 110% of net assets.

#### **4. Securities incorporating derivatives ("embedded derivatives"): None**

#### **5. Deposits and liquid assets:**

The Fund may hold up to 20% of its net assets in deposits for a maximum term of twelve months. The deposits are used for cash management purposes and help the Fund achieve its cash management objectives.

#### **6. Borrowing:**

The Fund may temporarily, and in exceptional cases, borrow up to 10% of its net assets in order to optimise its cash flow management.

#### **7. Transactions involving the temporary acquisition and/or disposal of securities: None**

**► Information relating to financial guarantees (temporary purchases and sales of securities) and total return swaps:**

Type of collateral:

In the context of temporary purchases and sales of securities and OTC derivative transactions, the Fund may receive collateral of securities and cash.

The discounts that may be applied to the collateral received will take into account the type, the maturity, the credit quality and the currency, as well as the price volatility of the securities and the results of the stress tests performed.

The securities received as collateral must adhere to the criteria defined by the Management Company. They must be:

- liquid;
- transferable at any time;
- diversified in compliance with the eligibility, exposure and diversification rules of the UCITS;
- issued by an issuer that is not an entity of the counterparty or its group.

For bonds, the securities will also be issued by high-quality issuers located in OECD countries whose minimum rating may be AAA to BBB- on the scale of Standard & Poor's or with a rating deemed equivalent by the Management Company. Bonds must have a maximum maturity of 50 years.

The criteria described above are detailed in a Risk Policy available on the Management Company's website at [www.amundi.com](http://www.amundi.com) and may be subject to changes, particularly in the event of exceptional market circumstances.

The discounts that may be applied to the collateral received will take into account the credit quality, the price volatility of the securities and the results of the stress tests performed.

Reuse of cash received as collateral: Cash received as collateral may be reinvested in deposits, government bonds, reverse repurchase agreements or short-term money market UCITS in accordance with the Management Company's Risk Policy.

Reuse of securities received as collateral:

Not authorised: Securities received as collateral may not be sold, reinvested or pledged as guarantee.

**► Summary description of the process for selecting intermediaries and any comments:**

The Management Company usually operates through invitation to tender. In this case, a comprehensive request for proposal (total return swap and market making) was issued for a portion of the AMUNDI ETF Fund product line. The Management Company has therefore not undertaken and shall not undertake a formal competitive bidding procedure for this particular Fund that can be tracked and monitored among the potential counterparties of OTC forward financial instruments, as the counterparty has already been selected during the comprehensive request for proposal. The Fund may carry out these transactions with BNP Paribas SA or any other Company of the BNP Paribas SA group as counterparties or intermediaries.

**► Risk profile:**

*Your money will be invested primarily in financial instruments selected by the Management Company. These financial instruments are subject to market fluctuations.*

Investors are advised that their capital is not guaranteed and may not be returned to them.

The Fund has high volatility due to its exposure to equity markets.

The main risks to which the investor may be exposed through the Fund's investments are as follows:

**- Equity risk:**

The Fund is 100% exposed to the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index. However, in the event of adjustments associated with subscriptions/redemptions, exposure may exceed this limit on a residual basis. The Fund is therefore exposed to market risks related to fluctuations in the value of the equities that

make up the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index. Stock market fluctuations can lead to significant changes in net assets, which can adversely affect the Fund's net asset value. The Fund's net asset value may therefore fall significantly. The Fund accordingly has a high degree of equity risk.

- Risk related to changes in the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index:

The Fund is exposed, among other things, to rises and falls in the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index. The Fund is therefore exposed to the market risks related to fluctuations in the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index. The Fund's value will fall in the event of a fall in the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index.

- Factors that may influence the ability of the Fund to track the performance of the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index:

The ability of the Fund to track the performance of the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index may be affected by the following factors:

- the re-weightings of the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index which is tracked by the Fund may generate transaction and/or trading costs;
- whether there are market fees;
- and/or on account of minor valuation discrepancies that would not be such as to result in the calculation of the Fund's net asset value being suspended. These discrepancies may be due to some commodities being temporarily unavailable in the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index or to exceptional circumstances that may have caused distortions in the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index weightings, including cases of suspension or temporary disruption in the listing of securities in the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index.

- Credit risk:

The risk of a deterioration in the credit quality of an issuer or of an issuer defaulting. This deterioration may lead to a fall in the value of a security and thus to a reduction in the net asset value.

- Counterparty risk related to the tracking method selected:

To meet its investment objective the Fund will use OTC forward financial instruments (including total return swaps) negotiated with credit institutions. The Fund will be exposed to the counterparty risk that results from the use of forward financial instruments executed with a credit institution. The Fund is therefore exposed to the risk that the credit institution in question will not be able to honour its commitments in respect of these instruments. Default by the counterparty of a swap (or by any other issuer) may cause the Fund's NAV to fall. Under the current rules, however, the counterparty risk resulting from the use of swaps will be limited to 10% of the Fund's net assets per counterparty at any time.

The Fund may also be exposed to trading difficulties or a temporary inability to trade certain securities in which the Fund invests, in the event of a counterparty defaulting on total return swaps (TRS).

- Legal risk:

The use of temporary purchases and sales of securities and/or total return swaps (TRS) may create a legal risk, particularly relating to the swaps.

- Liquidity risk:

The markets to which the Fund is exposed may occasionally be affected by a temporary lack of liquidity. These market disturbances may impact the price terms at which the Fund may have to liquidate, initiate or modify positions, and may therefore lead to a fall in the net asset value.

- Liquidity risk in a listing market:

The Fund's market price may deviate from its Benchmark Price. The liquidity of the Fund's units in a listing market may be affected by any suspension that could, in particular, but not only, be due to:

- i) the suspension or halt of the calculation of the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index by the Index provider,
- ii) the suspension of the market(s) on which the underlying stocks of the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index are listed,
- iii) a relevant listing market not being able to obtain or to calculate the Fund's Benchmark Price,
- iv) a violation by a market-maker of the rules applicable in the relevant listing market,
- v) failure of the systems, in particular of IT or electronic systems, in a relevant listing market,
- vi) any other event that prevents the calculation of the Fund's Benchmark Price or the trading of Fund units.

- Sustainability risk:

the risk relating to an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential negative material impact on the value of the investment.

**- Index calculation risk:**

The Fund replicates an index that is determined and calculated by an index provider. The index provider may face operational risks that could lead to errors in the determination, composition or calculation of the index replicated by the Fund, which could result in losses or shortfalls in the Fund's investments, or a deviation from the objective of the index, as described in the index methodology and the description of the Fund's characteristics.

► **Guarantee or protection:** None

► **Eligible subscribers and standard investor profile:**

• **Eligible subscribers:**

All subscribers

• **Standard investor profile:**

The Fund is open to any subscriber, including those investing in a French PEA.

This Fund is intended for investors who seek long-term capital growth and exposure to equities of the 11 countries of the European Economic and Monetary Union with high dividend yields, while offering opportunities for short-term arbitrage. The Fund is continuously listed on one or more markets and its units may be traded in the same way as simple stocks. It therefore combines the advantages of a listed security and those of a UCITS. Furthermore, it is eligible for the French stock savings plan (PEA).

The amount that might be reasonably invested in this Fund depends on the investor's personal situation. To determine this amount, investors should consider their personal assets, their current financial needs and the recommended investment period as well as their willingness to accept risks or their wish to invest cautiously. It is also strongly recommended that investors sufficiently diversify their investments so as to avoid exposing themselves entirely to the risks of this Fund.

All investors are therefore invited to consult their own financial advisors about their individual situations.

This Fund's units cannot be offered or sold directly or indirectly in the United States of America (including its territories and possessions) to the advantage of a US Person as defined in US "Regulation S" adopted by the Securities and Exchange Commission ("SEC").

The term "US Person" means:

- (a) any individual residing in the United States of America;
- (b) any entity or company organised or incorporated under the laws of the United States;
- (c) any estate of which the executor or the administrator is a US Person;
- (d) any trust of which any trustee is a US Person;
- (e) any branch or subsidiary of a non-US entity located in the United States of America;
- (f) any non-discretionary account (other than an estate or trust) held by a financial intermediary or any other fiduciary, incorporated, or (if an individual) resident in the United States;
- (g) any discretionary account (other than an estate or trust) held by a financial intermediary or any other fiduciary, incorporated, or (if an individual) resident in the United States; and
- (h) any entity or company, if it is
- (i) organised or incorporated under the laws of any non-US jurisdiction and
- (ii) formed by a US person principally for the purpose of investing in securities not registered under the US Securities Act of 1933, as amended, unless it is organised or incorporated, and owned, by Accredited Investors (as defined in Rule 501(a) of the Act of 1933, as amended) who are not individuals, estates or trusts.

► **Recommended investment period:**

The minimum recommended investment period is 5 years.

► **Determination and allocation of distributable sums:**

Accumulation

► **Accounting currency:** euro

► **Characteristics of units:**

• **Currency of the units:** euro

• **Initial net asset value:**

EUR 40.12 per Fund unit.

The initial net asset value is equal to the euro-adjusted closing value on 26 February 2009 of the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index (denominated in US dollars) divided by 10. The exchange rate used to convert the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index value into euros is the WM Reuters benchmark rate at the final 16:00 GMT fixing on 26 February 2009.

► **Subscriptions and redemptions:**

As indicated above, the Fund's activity is organised on two markets, one "**primary**" and the other "**secondary**".

The persons wishing to acquire or subscribe units will be required to certify in writing, at the time of any acquisition or subscription of units, that they are not 'US Persons'. Any unitholder who becomes a US person must immediately notify the Fund's Management Company of the change.

• **Subscription and redemption on the primary market:**

In the primary market, new Fund units are subscribed and/or redeemed in return for (i) cash or (ii) in-kind contributions/withdrawals from a portfolio of equities representative of the MSCI EMU High Dividend Yield Strategy Index plus a "cash adjustment".

In this market, initial subscriptions are only allowed in minimum quantities of 2500 units and subsequent subscriptions are only allowed in minimum quantities of one unit. Redemptions are made in whole units, with a minimum value of EUR 100,000 or equivalent in the currency of the unit per redemption request.

Orders for subscription and redemption of Fund units are cleared by the Depositary between 09:00 and 18:00 (Paris time) each day when the Paris Stock Exchange is open ("Trading Day"). Subscription and redemption requests sent after 18:00 (Paris time) on a Trading Day will be processed as orders received between 09:00 and 18:00 (Paris time) on the next Trading Day.

A Trading Day is a working day on which the Fund's NAV can be calculated and published.

The Fund's NAV on a given trading day is calculated using the closing level of the euro-adjusted MSCI EMU High Dividend Yield Strategy Index on that day. The exchange rate used to convert the MSCI EMU High Dividend Yield Strategy Index value into euros is the WM/Reuters benchmark rate at the final 16:00 GMT fixing on that same date.

Subscriptions/redemptions in cash only

Cash-only orders centralised by the Depositary between 09:00 and 18:00 (Paris time) on a given Trading Day will be executed on the basis of the net asset value of that same Trading Day.

Subscriptions/redemptions made by in-kind contributions/withdrawals to/from a portfolio of equities representative of the MSCI EMU High Dividend Yield Strategy Index

Orders centralised by the Depositary between 9:00 and 18:00 (Paris time) on a given Trading Day will be executed on the basis of the terms set by the Management Company at 18:00 (Paris time) on the same Trading Day, as follows:

(1) in-kind contribution of a portfolio of equities reflecting the MSCI EMU High Dividend Yield Strategy Index as determined by the Management Company, which the subscriber must deliver and, where applicable,

(2) payment of a cash amount in euros to or from the Fund ("cash adjustment") where a subscription/redemption order is for a minimum initial subscription of exactly 2500 units and a minimum subsequent subscription of one unit. Redemptions are made in whole units, with a minimum value of EUR 100,000 or equivalent in the currency of the unit per redemption request. The cash adjustment will be equal to the difference in euros between the net asset value of the Fund units on that date and the value in euros of the equities to be delivered on that date.

Orders will be executed in accordance with the table below:

D	D	D: the net asset value calculation day	D+1 business day	D+2 business days	D+2 business days
Centralisation of subscription orders before 18:00 <sup>1</sup>	Centralisation of redemption orders before 18:00 <sup>1</sup>	Execution of the order on D at the latest	Publication of the net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup> Unless any specific timescale has been agreed with your financial institution.

The Delegated Fund Manager reserves the right to refuse the securities offered/requested for all subscriptions/redemptions made by contributions/withdrawals of securities and has 7 days from the date of the deposit/request to indicate its decision.

Subscriptions/redemptions must be paid for/delivered no later than five Trading Days after the calculation and publication of the net asset value.

Requests for subscriptions and redemptions will be made in whole units.

• **Institutions designated to receive subscriptions and make redemptions:**

CACEIS Bank

Registered office: 89-91 rue Gabriel Péri, 92120 Montrouge

*Investors should note that orders sent to distributors other than the aforementioned institutions should take into account the fact that the cut-off time for the centralisation of orders applies to those distributors with CACEIS Bank.*

*As a result, these promoters may apply their own deadline, earlier than the time mentioned above, to allow them to meet their order transmission deadline to CACEIS Bank.*

• **Listing and trading Fund units on the secondary market:**

The secondary market is the market on which existing Fund units are traded. It includes all the stock markets on which the Fund is or will be admitted for continuous trading.

Purchases and sales on the secondary market do not incur any subscription or redemption fees. Orders for the purchase or sale of units may be placed in any market where the Fund is (or will be) traded, through an approved broker. Placing a stock market order will give rise to costs over which the Management Company has no influence.

There is no minimum amount for purchase/sale orders placed on the secondary market, other than those which may be imposed by the stock market where Fund units are listed.

The price of a unit traded on the secondary market depends on supply and demand and is approximately equal to the Benchmark Price (see the section on "Benchmark Price").

"Market-makers" maintain secondary market liquidity by acting as market counterparties (see "Market-makers" section). They contract with the stock market operators in question to maintain a maximum difference between the highest bid and the lowest offer prices. Their activities ensure that trading in Fund units remains liquid. They also ensure, through arbitrage between the primary and secondary markets, that the Fund's listed market price does not diverge significantly from its Benchmark Price.

If the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index listing is halted or suspended, the Fund's listing is suspended at the same time. As soon as listing of the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Benchmark Index resumes, the Fund's listing resumes likewise, taking account of any change in the Fund's NAV and Benchmark Price since the interruption.



The units acquired on the secondary market cannot generally be resold directly on the primary market. Unitholders must buy and sell units in a secondary market with the assistance of an intermediary (a broker, for example) and may have to bear the corresponding costs. In addition, unitholders may pay more than the current NAV when they buy units and may also receive less than the current NAV when they sell them.

Fund units will be listed on the Euronext Paris market.

The Management Company may apply for these units to be listed on other markets.

Fund units will be listed on Euronext Paris and traded in a product segment dedicated to Trackers: NextTrack.

• **Market-makers:**

As at 11 December 2012, the financial institution acting as Market-maker is:

BNP Paribas Arbitrage  
General Partnership (Société en nom collectif)  
Registered office: 160-162 boulevard Mac Donald – 75019 Paris

"Market-makers" will provide market-making services for Fund units from the date they are listed on the market where the Fund is admitted for trading. They will mainly act as "Market-makers" through their continuous presence on the market, maintaining a buy/sell price range and ensuring adequate liquidity.

Specifically, the financial institutions acting as "Market-makers" that have signed a market-making contract for the Fund have made a commitment to Euronext Paris SA to meet the following conditions for the Fund:

- a maximum total spread of 2% between the offer price and bid price in the centralised order book
- a nominal minimum amount at purchase and sale corresponding to EUR 100,000.

The obligations of the "Market-makers" will immediately be suspended if the value of the 100% MSCI EMU HIGH DIVIDEND YIELD Strategy Index becomes unavailable or if one of its component securities is suspended. The obligations of the "Market-makers" will generally be suspended in the event of unusual disturbances or difficulties on the stock market in question which prevent standard market-making operations (e.g. listing disturbances etc.).

"Market-makers" must also ensure that the Fund unit's market price does not differ by more than 1.5% either side of the Benchmark Price (see "Benchmark Price" section).

The Management Company may ask "Market-makers" to halt their listing of Fund units should exceptional circumstances arise or should investor interest require it.

## **BUYING AND SELLING CONDITIONS ON THE SECONDARY MARKET**

If the stock market value of the listed Fund's units or shares significantly differs from its Benchmark Price or if the Fund's units or shares have been suspended from trading, investors may be allowed, under the conditions described below, to have their units redeemed in the primary market directly with the listed Fund without the minimum-size requirements described in the "Subscription and redemption fees (applicable solely to primary market trading)" section having to apply thereto.

The Management Company shall decide whether to proceed with this type of primary market opening and on the duration of such opening, based on the criteria listed below, the analysis of which shall be used to qualify the materiality of the market disruption:

- Verification that the nature of the suspension or of the significant disruption of the secondary market in one of the potential stock markets is not occasional;
- Link between the market disruption and the traders in the secondary market (such as for example a default of all or part of the Market Makers trading in a given market or a malfunction affecting the operating or IT systems of a given stock market), by conversely excluding, the disruptions, if any, with causes external to the secondary markets of the Fund's units or shares, such as, among other things, an event affecting the liquidity and the valuation of all or part of the components of the Benchmark Index;

- Analysis of any other objective factor that may affect the equal treatment of the Fund's unitholders and/or their interests.

As an exception to the provisions on fees mentioned in the "Subscription and redemption fees (applicable solely to primary market trading)" section, the unit redemption transactions carried out in this case on the primary market shall only be subject to a redemption fee of 1% maximum payable to the Fund and intended to cover the costs related to the transaction paid by the Fund.

In such exceptional primary market opening cases, the Management Company will post on its website [amundi.tf](http://amundi.tf) the procedure to be followed by investors wishing to redeem their units in the primary market. The Management Company will also provide said procedure to the stock market operator that lists the Fund's units.

► **Date and frequency of NAV calculation:**

Daily

► **Location and terms of publication and communication of net asset value:**

The net asset value is calculated and published each day on which the Euronext Paris stock exchange is open or if one of the markets on which the Fund is listed for trading is open (in particular the Borsa Italiana, the Deutsche Börse, the London Stock Exchange and the SIX Swiss Exchange), except for days on which the markets listing the securities that make up the index are closed, provided that the orders placed on the primary and secondary markets can be covered.

The net asset value of the Fund is available on request from the Management Company and on its website [amundi.tf](http://amundi.tf).

Furthermore, on the days the NAV is published, a Benchmark Price (see "Benchmark Price" section) in euros will be published by Euronext Paris.

► **Costs and fees:**

• **Subscription and redemption fees:**

*Subscription and redemption fees are levied by addition to the subscription price paid by the investor or subtraction from the redemption price. Fees are retained by the Fund to offset the costs incurred by the Fund in investing or liquidating the amounts involved. Fees not accruing to the UCITS, are allocated to the Management Company, the promoter etc.*

- On the primary market:

Costs borne by the investor, taken at subscription and redemption	Basis	Interest rates
Subscription fee not retained by the Fund	Net asset value X number of units	3% on each subscription request
Subscription fee retained by the Fund	Net asset value X number of units	None
Redemption fee not retained by the Fund	Net asset value X number of units	3% on each redemption request
Redemption fee retained by the Fund	Net asset value X number of units	None

**Exemption:**

The Management Company and BNP Paribas Arbitrage and BNP Paribas SA are exempt from paying subscription or redemption fees not retained by the Fund.

The nature of these fees is detailed in the section describing subscription and redemption arrangements.

- On the secondary market:

Purchases and sales on the secondary market do not incur any subscription or redemption fees. Orders for the purchase or sale of units may be placed in any stock market where the Fund is traded, through an approved broker. Nevertheless, placing a stock market order will trigger costs over which the Management Company has no influence (e.g. broker's commission on stock-market orders to buy or sell units charged by the investor's broker).

The distribution of this Prospectus may be subject to restrictions in certain countries, as may the purchase or sale of Fund units. This Prospectus is not an offer or solicitation by any person in any country where such offer or solicitation would be illegal or where the person making it would not meet the applicable statutory conditions or directed to any person to whom it would be illegal to make such a solicitation.

• **Administrative and management fees:**

*These fees cover all expenses billed directly to the Fund, except for transaction costs.*

*Part of the management fee may be passed on to the promoters with whom the Management Company has entered into marketing agreements. These promoters may or may not belong to the same group as the Management Company. These fees are calculated on the basis of a percentage of the financial management fees and are invoiced to the Management Company*

*In addition to these fees, there may be:*

- performance fees. These reward the Management Company when the Fund exceeds its objectives. They are therefore billed to the Fund;*
- fees related to securities financing transactions.*

*For more details of the fees actually billed to the Fund, refer to the key information document.*

Fees charged to the UCITS	Basis	Rate structure
Actual fixed rate	Net assets	0.3% incl. taxes

Administrative and management fees will be charged directly to the Fund's income account.

The following costs may be added to the fees charged to the Fund, as detailed above:

- Exceptional legal costs related to recovery of the debts of the Fund;
- Costs related to fees payable by the Management Company to the AMF in connection with managing the Fund.

**Counterparty selection policy**

The Management Company implements a counterparty selection policy, in particular when entering into total return swaps (TRS) on behalf of the Fund.

The list of eligible counterparties is approved by the Management Company at ad-hoc meetings of "Best execution committees" (the "**Eligible Counterparties**").

The Eligible Counterparties are selected on the basis of several criteria relating to the execution services (including in particular price, liquidity, speed and cost) in accordance with their relative importance having regard to the type of order or financial instrument.

Financial institutions of an OECD country with a minimum rating ranging from AAA to BBB- on Standard & Poor's rating scale or with a rating deemed equivalent by the Management Company are selected when setting up the transaction.

In addition to the above, the Management Company applies its best selection and execution policy. For further information regarding this policy and in particular the relative importance of the various execution criteria per asset class, please visit our website: [www.amundi.com](http://www.amundi.com).

• **Commission in kind:**

The Management Company receives no commission in kind either for itself or for third parties.

Warning:

The tax treatment applicable to any amounts distributed by the Fund or to its unrealised or realised capital gains or losses depends on the tax laws applicable to the individual investor's tax position and country of tax residence and/or on the jurisdiction in which the Fund holds assets.

Some income distributed by the Fund to unitholders residing outside France may be subject to withholding tax in France. We recommend that you consult your tax adviser on this issue.

In addition, investors should be aware that the directive on taxation of savings income imposes certain fiscal obligations on the Fund's representatives and agents and certain Fund holders.

Other regulations imposing similar obligations are expected to be introduced in jurisdictions outside the European Union. In principle, under that Directive, and potentially under comparable regulations that might be adopted elsewhere, the payment of interest (which may include the proceeds of the sale, redemption or repurchase of Fund units by certain unitholders) may in certain circumstances be disclosed to the local tax authorities.

Investors are invited to refer to the Fund's Annual Report for further information.

#### **IV. COMMERCIAL INFORMATION**

Unitholders are informed of any changes affecting the Fund in accordance with the procedures defined by the AMF, the French financial market regulator: by individual notification or by any other method (financial notice, interim report etc.).

Financial notices may be published in the press and/or on the website <https://about.amundi.com> in the News section.

The Fund's prospectus, latest annual and periodic documents, and the Fund's NAV are sent within one week upon written request from the investor to:

Amundi Asset Management – Amundi ETF – 91-93, Boulevard Pasteur – CS 21564 – 75730 PARIS Cedex 15, France

The Management Company provides investors with information on how the criteria for compliance with social, environmental and governance quality objectives are taken into account in its investment policy on its website at [amundi.com](https://amundi.com) and in the Fund's annual report.

The transparency policy is available on request from the Management Company and on its website [amundi.com](https://amundi.com) and information about the asset composition of the Fund is available on request from the Management Company and on its website [amundi.com](https://amundi.com) where it is published with a delay of at least three stock market days.

In addition, the Management Company may directly or indirectly send the breakdown of Fund assets to unitholders who are classified as professional investors by the ACPR, the AMF or equivalent European authorities, for the sole purpose of calculating regulatory requirements under the Solvency II Directive. If applicable, this information must be disclosed once more than 48 hours has passed since the publication of the net asset value.

Further details are available from the Management Company and at [amundi.com](https://amundi.com).

##### **The Benchmark Price:**

The Benchmark Price is published by the stock market operator during trading hours on each day the Fund's NAV can be calculated and published.

A Trading Day is a working day on which the Fund's NAV can be calculated and published.

The Benchmark Price is the Fund's theoretical market value at any given moment, and is used as a benchmark by "Market-makers" and intraday traders. It is calculated for each market in which the Fund's units are listed and traded.

The Benchmark Price is automatically and continuously updated throughout the days on which Fund units are quoted for trading.

In the event of closure of one or more stock exchanges on which the commodity futures are listed, In the event of closure of several listings of bonds, In the event of closure of one or more stock exchanges on which the equities are listed, In the event of closure of one or more stock exchanges on which the bonds are listed, In the event of closure of the US market or several listings of bonds included in the Strategy Index for the Benchmark Index (e.g. for a public holiday as defined in the Target calendar), when the Benchmark Price cannot therefore be calculated, trading in the Fund's units may be suspended.

On Euronext Paris, the Benchmark Price is published every 15 seconds throughout the Paris trading session (09:00 to 17:35). The Benchmark Price history is published continuously on the Euronext Paris website (euronext.com) and by most financial information providers (Reuters, Bloomberg and others).

Reservation thresholds are set by applying a 1.5% variation on either side of the Benchmark Price of Fund units, as published by Euronext Paris SA. These are updated during each session on an estimate basis according to variation of the Index for the Benchmark Index.

### **Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the "Disclosures Regulation")**

As a financial market participant, the management company of the Fund is governed by Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector (the "Disclosures Regulation").

This Regulation lays down harmonised rules for financial market participants on transparency with regard to the integration of sustainability risks (Article 6 of the Regulation), the consideration of negative sustainability impacts, the promotion of environmental or social characteristics in the investment process (Article 8 of the Regulation) and sustainable investment objectives (Article 9 of the Regulation).

Sustainability risk is defined as an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential negative material impact on the value of the investment.

Sustainable investment means an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy; or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations; or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, staff remuneration and tax compliance.

The objective of this Fund is to replicate, as closely as possible, the performance of an index whose methodology does not involve sustainability risks, whether the index rises or falls. The Fund's investment process therefore does not involve sustainability risks.

### **Regulation (EU) 2020/852 (the so-called "Taxonomy Regulation") on establishing a framework to support sustainable investment and amending the Disclosure Regulation.**

Under the Taxonomy Regulation, environmentally sustainable investments are investments in one or several economic activities that qualify as environmentally sustainable under this Regulation. For the purposes of establishing the degree to which an investment is environmentally sustainable, an economic activity shall qualify as environmentally sustainable where it contributes substantially to one or more of the environmental objectives set out in the Taxonomy Regulation, does not significantly harm any of the environmental objectives set out in said Regulation, is carried out in compliance with the minimum safeguards laid out in this Regulation, and complies with the technical screening criteria that have been established by the European Commission under the Taxonomy Regulation.

## **V. INVESTMENT RULES**

The Fund shall comply with the investment rules laid down by European Directive 2009/65/EC of 13 July 2009. The Fund will comply with the legal ratios decreed by the French Monetary and Financial Code – Regulatory Part.

The legal investment rules applicable to the Fund are those which govern UCITS, up to 10% of whose assets are invested in other UCIs, as well as those applicable to its AMF classification: "Eurozone country equities".

The main financial instruments and management techniques used by the Fund are listed in Chapter III.2 "Special Provisions" of the Prospectus. Amendments to the French Monetary and Financial Code will be taken into consideration by the Management Company in managing the Fund as soon as they are implemented.

AMUNDI ETF MSCI EMU HIGH DIVIDEND UCITS ETF (THE "FUND") IS NOT SPONSORED, ENDORSED, SOLD OR PROMOTED BY MSCI INC. ("MSCI"), OR BY ANY OF ITS SUBSIDIARIES, OR BY ITS INFORMATION PROVIDERS, OR BY ANY OF THE ENTITIES INVOLVED IN THE ESTABLISHMENT, CALCULATION OR CREATION OF THE MSCI INDICES (JOINTLY REFERRED TO AS "THE MSCI PARTIES"). THE MSCI INDICES ARE THE EXCLUSIVE PROPERTY OF MSCI AND ARE SERVICE MARKS OF MSCI OR ITS AFFILIATES. THE MSCI INDICES HAVE BEEN LICENSED FOR USE FOR CERTAIN PURPOSES BY AMUNDI ASSET MANAGEMENT. NONE OF THE MSCI PARTIES MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, TO THE ISSUER OR OWNERS OF THIS FUND OR ANY OTHER PERSON OR ENTITY REGARDING THE ADVISABILITY OF INVESTING IN FUNDS GENERALLY OR IN THIS PARTICULAR FUND OR THE ABILITY OF ANY MSCI INDEX TO TRACK CORRESPONDING STOCK MARKET PERFORMANCE. MSCI OR ITS AFFILIATES ARE THE LICENSORS OF CERTAIN TRADEMARKS, SERVICE MARKS AND TRADE NAMES AND OF THE MSCI INDICES WHICH ARE DETERMINED, COMPOSED AND CALCULATED BY MSCI WITHOUT REGARD TO AMUNDI ASSET MANAGEMENT, THIS FUND OR THE UNITHOLDERS OF THIS FUND OR TO ANY OTHER PERSON OR ENTITY. NONE OF THE MSCI PARTIES HAS ANY OBLIGATION TO TAKE THE NEEDS OF AMUNDI ASSET MANAGEMENT, THE UNITHOLDERS OF THIS FUND OR ANY OTHER PERSON OR ENTITY INTO CONSIDERATION IN DETERMINING, COMPOSING OR CALCULATING THE MSCI INDICES. THE MSCI PARTIES ARE NOT RESPONSIBLE FOR AND DO NOT DETERMINE THE LAUNCH DATE, PRICE, OR QUANTITY OF THE FUND UNITS, OR THE CHOICE OR APPLICATION OF THE FORMULA TO ESTABLISH THE NET ASSET VALUE OF THE FUND. FURTHERMORE, NONE OF THE MSCI PARTIES HAS ANY OBLIGATION OR LIABILITY TO THE ISSUER OF THIS FUND, UNITHOLDERS OF THIS FUND OR ANY OTHER PERSON OR ENTITY IN CONNECTION WITH THE ADMINISTRATION, MANAGEMENT OR MARKETING OF THIS FUND.

ALTHOUGH MSCI SHALL OBTAIN INFORMATION FOR INCLUSION IN OR FOR USE IN THE CALCULATION OF THE MSCI INDICES FROM SOURCES THAT MSCI CONSIDERS RELIABLE, NONE OF THE MSCI PARTIES WARRANTS OR GUARANTEES THE ORIGINALITY, ACCURACY AND/OR THE COMPLETENESS OF ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN. NONE OF THE MSCI PARTIES MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY THE ISSUER OF THE FUND, OWNERS OF THE FUND, OR ANY OTHER PERSON OR ENTITY, FROM THE USE OF ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN. NONE OF THE MSCI PARTIES SHALL HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS OR INTERRUPTIONS OF OR IN CONNECTION WITH ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN. FURTHERMORE, NONE OF THE MSCI PARTIES MAKES ANY EXPRESS OR IMPLIED WARRANTIES OF ANY KIND, AND THE MSCI PARTIES HEREBY EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO EACH MSCI INDEX AND ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL ANY OF THE MSCI PARTIES HAVE ANY LIABILITY FOR ANY DIRECT, INDIRECT OR OTHER DAMAGES (INCLUDING LOST PROFITS) EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

## **VI. OVERALL RISK**

Commitment calculation method.

## **VII. ASSET VALUATION AND ACCOUNTING RULES**

### **► Principle**

General accounting conventions are applied in compliance with the following principles:

- "going concern" basis,
- consistency of accounting methods from year to year,
- periodicity.

The standard method for recognising assets in the accounts is the historic cost method, except for portfolio valuation.

### ► Asset valuation rules

The net asset value of the units is calculated taking into account the following valuation rules:

- Marketable securities traded on a regulated French or foreign market are valued at market price. Market price valuation is carried out under arrangements specified by the Management Company. Securities contributed to or held by the Fund are valued at their latest market price.
- Differences between the market prices used to calculate the NAV and the historic cost of the securities in the portfolio are recognised in an account "Estimation Differences".

However:

- Any marketable securities, the price of which is not found on the valuation date or the price of which has been adjusted are valued at their probable trading value under the responsibility of the Management Company. The Independent Auditor is informed of these valuations and their justification when conducting audits.
- Negotiable debt instruments and similar securities not traded on a significant scale are valued using an actuarial method; the rate used is the rate of equivalent securities issues adjusted, when necessary, by a difference that is representative of the intrinsic features of the security issuer. However, negotiable debt instruments with a residual maturity of three months or less will be valued according to the linear method, unless they are particularly volatile. The procedures for using these rules are set by the Management Company. In accordance with the instructions of the AMF, negotiable debt instruments (other than Treasury Notes) are valued as indicated below:
  - securities with 3 months or less (short-term): valued at cost price, with any spread of the discount or listing, on the remaining life;
  - securities with over 3 months and 1 year or less: valued at the Euribor rate published in the Official List, plus or minus a margin, according to the issuer's signature;
  - securities with over 1 year: valued at the equivalent BTAN rate, plus or minus a margin, according to the issuer's signature.
- Treasury notes are valued at the market rate, provided daily by the Banque de France.
- UCITS units or shares are valued at the last known net asset value.
- Securities that are not traded on a regulated market are valued at their probable trading value under the responsibility of the Management Company. Their valuation is based on their assets and yield, taking into account the prices used in recent major transactions.
- Transferable securities covered by a temporary sale or purchase contract are valued in accordance with the legislation in force, and the methods used are determined by the Management Company.

Securities received under repurchase agreements are recorded in the buy portfolio in the section entitled "Debt representing securities received as part of repurchase agreements" at the amount stated in the contracts, plus any interest receivable. However, if their maturity exceeds 3 months, these securities are valued at the current value of the contract (market value).

Securities lent under repurchase agreements are posted in long portfolios at their stock market price. Interest receivable and payable for repurchase transactions is calculated pro rata. Liabilities representing securities lent under repurchase agreements are posted in short portfolios at the value set forth in the agreement, plus any accrued interest due. On settlement, the interest received and paid is shown as debt revenues. However, if their maturity exceeds 3 months, these securities are valued at the current value of the contract (market value).

Loaned securities are valued at market price. The consideration received for the loan is recorded as debt revenues. Accrued interest is included in the stock market value of the securities lent.

- Futures and options traded on French or foreign organised markets are valued at the market price employing the methods determined by the Management Company. Contracts on forward markets are valued at the settlement price.

Valuation of collateral:

Collateral is valued daily at market price (mark-to-market method). The discounts that may be applied to the collateral received will take into account the credit quality, the price volatility of the securities and the results of the stress tests performed. Margin calls are made daily, unless otherwise stipulated in the framework contract covering these transactions or if the Management Company and the counterparty have agreed to apply a trigger threshold.

- OTC futures, options or swaps, authorised under the regulations applicable to UCITS, are valued at market price or at an estimated value employing the methods determined by the Management Company. Interest rate and/or currency swap contracts are valued at their market value based on the price calculated by discounting future cash flows (principal and interest), at the market interest rates and/or currency rates. This price is adjusted for credit risk.

### ► Recognition method

Securities entering and leaving the portfolio are recognised excluding costs.

Revenues are recognised when received.

Revenues consist of:

- income from transferable securities;
- dividends and interest received on foreign securities, at the foreign currency rate;
- cash proceeds in foreign currency, loan income, and revenue from lending of securities and other investments.

The following deductions are made from these revenues:

- management fees;
- financial expenses and charges on the lending and borrowing of securities and other investments.

Off-balance sheet commitments:

Futures contracts are entered at their market value as off-balance sheet commitments at the settlement price. Options are converted into their underlying equivalent. OTC interest rate swaps are valued on the basis of the nominal value, plus or minus the corresponding estimation difference.

### ► Income accruals account

Income accrual accounts ensure fair allocation of income among unitholders, regardless of the subscription or redemption date.

## **VIII. REMUNERATION**

The Management Company has adopted the remuneration policy of the Amundi Group, to which it belongs.

The Amundi Group has implemented a remuneration policy adapted to its organisation and its activities. This policy is designed to regulate practices regarding the different remunerations of employees authorised to make decisions, exercise control functions or take risks within the Group.

This remuneration policy has been defined with regard to the Group's economic strategy, objectives, securities and interests, to the management companies which are part of the Group, to the UCITS managed by the Group's companies and their unitholders. The objective of this policy is to discourage excessive risk-taking by specifically running contrary to the risk profile of the UCITS managed.



Furthermore, the Management Company has implemented suitable measures in order to prevent conflicts of interest.

The remuneration policy is adopted and overseen by the Board of Directors of Amundi, the parent company of the Amundi Group.

The remuneration policy is available on the amundi.com website or free of charge upon written request from the Management Company.

<b>Prospectus updated on: 26 June 2025</b>
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# **REGULATIONS**

## **Mutual Fund**

### **AMUNDI ETF MSCI EMU HIGH DIVIDEND UCITS ETF**

#### **SECTION 1 – ASSETS AND UNITS**

##### **Article 1 – Co-ownership units**

The joint ownership rights are expressed as units, each unit corresponding to an identical share of the Fund's assets (the "**Fund**"). Unitholders are entitled to joint-ownership of the Fund's assets in proportion to the number of units held.

The term of the Fund is 99 years from its launch, unless it is wound up early or extended pursuant to these Regulations.

The features of the various unit classes and their access conditions are set out in the Fund's key information document and Prospectus.

The different unit classes may:

- Have different income distribution procedures: (distribution or accumulation);
- Be denominated in different currencies;
- Incur different management fees;
- Be subject to different subscription and redemption fees;
- Have different nominal values;
- Be systematically hedged against risk, either partially or in full, as set out in the Prospectus. The hedging process is performed using financial instruments that reduce the impact of the hedging transactions on the Fund's other unit classes to a minimum;
- Be reserved for one or several distribution networks.

Option to group or divide units.

The Management Company's governing body may, at their sole discretion, split units by creating new units which are allocated to bearers in exchange for the former units.

##### **Article 2 – Minimum asset amount**

Units may not be redeemed if the Fund's assets fall below the amount fixed by the regulation; in such a case, the Management Company will take the measures necessary to merge or dissolve the Fund or perform one of the transactions listed in Article 411-16 of the AMF's General Regulation (UCITS transfer) within 30 days, unless the assets rise back above this amount in the meantime.

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

Units can be issued at any time at the request of the unitholders. They will be issued at their net asset value plus, where applicable, the subscription fee.

Redemptions and subscriptions are performed under the terms and conditions defined in the Fund's key investor information document and prospectus.

The Fund's units may be listed for trading in compliance with applicable laws and regulations.

Subscriptions must be paid up in full on the day of the net asset value calculation. They may be paid in cash and/or securities. The Management Company has the right to refuse the securities offered, provided it informs the purchaser of its decision within seven days of their remittance. If accepted, contributed securities will be valued according to the rules set out in Article 4, and the subscription will take place based on the first net asset value following acceptance of the securities concerned.

Redemptions may be made in cash and/or in kind. If the redemption in kind corresponds to a representative pro rata share of the assets in the portfolio, then the written agreement signed by the outgoing unitholder alone must be obtained by the Fund or the Management Company. Where the redemption in kind does not correspond to a representative pro rata share of the assets in the portfolio, all the unitholders must indicate in

writing their agreement authorising the outgoing unitholder to redeem their units against particular assets, as explicitly set out in the agreement.

Notwithstanding the foregoing, when the Fund is an exchange-traded fund, redemptions on the primary market may, with the Management Company's consent and in compliance with the interests of shareholders, be made in kind under the conditions set out in the Fund's prospectus or regulations. The assets are then delivered by the issuing account holder under the conditions set out in the Fund's prospectus.

The redeemed assets are generally valued according to the rules set out in Article 4 and the redemption in kind is made on the basis of the first net asset value following acceptance of the securities concerned.

Redemptions are settled by the issuing account holder within a maximum of five days following the unit's valuation.

If, however, under exceptional circumstances, the reimbursement requires the prior sale of Fund assets, this period may be extended but shall not exceed 30 days.

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

Pursuant to Article L. 214-8-7 of the French Monetary and Financial Code, the redemption of units by the Fund, like the issuance of new units, may be temporarily suspended by the Management Company when exceptional circumstances require it and the interest of the unitholders demands it.

If the net asset value of the Fund is lower than the amount specified by the Regulations, no further units may be redeemed.

Minimum subscription conditions may be set in accordance with the procedures set out in the Fund's prospectus.

The Fund may cease to issue units pursuant to the Paragraph 3 of Article L. 214-8-7 of the French Monetary and Financial Code, whether temporarily or permanently, in whole or in part, in situations that objectively require the closure of subscriptions, such as when the maximum number of units has been issued, a maximum amount of assets has been reached, or a specific subscription period has expired. Existing unitholders will be informed by any means of the triggering of this tool, as well as of the threshold and the objective situation that led to the decision to carry out full or partial closure. In the case of partial closure, this information, communicated by any means, will explicitly specify the terms under which existing unitholders may continue to subscribe during the partial closure. The unitholders are also informed by any means of the Fund or Management Company's decision to either end the full or partial closure of subscriptions (when falling below the trigger threshold), or not to end it (in the event of a change to the threshold or to the objective situation that led to the implementation of the tool). A change to the objective situation invoked or to the trigger threshold for the tool must always be made in the interest of the unitholders. The information by any means shall specify the exact reasons for these changes.

Clauses resulting from the US Dodd-Frank Act:

The Management Company may limit or prevent the direct or indirect holding of Fund units by any person who is a "Non-Eligible Person" as defined below.

A Non-Eligible Person is:

- a US Person as defined in US "Regulation S" of the Securities and Exchange Commission ("SEC"); or
- any other person (a) who seems to be directly or indirectly in violation of the laws and regulations of any country or any government authority, or (b) who may, according to the Fund's Management Company, cause damage to the Fund that it would not have otherwise suffered or incurred.

To this end, the Fund's Management Company may:

- (i) refuse to issue any unit if it seems that as a result of such issuance said units would or could be held directly or indirectly by or on behalf of a Non-Eligible Person;

(ii) at any time request that a person or entity whose name is listed in the unitholders' registry provide it with information, and a statement to that effect, indicating that such person would deem necessary to determine whether the actual beneficiary of the units is a Non-Eligible Person or not; and

(iii) carry out, within a reasonable timeframe, a mandatory redemption of all the [units/shares] held by a unitholder/shareholder if it seems that the latter is (a) a Non-Eligible Person and, (b) such person is the sole or joint beneficiary of the units. During such timeframe, the actual beneficiary of [the units/shares] may present comments to the competent body.

The mandatory redemption will be carried out at the latest known net asset value less any applicable costs, fees and dues, which will remain payable by the Non-Eligible Person.

#### **Article 4 – NAV calculation**

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

Contributions in kind may only consist of the securities, currencies or contracts eligible for the UCITS; contributions and redemptions in kind are valued in accordance with the same valuation rules as for the calculation of the NAV.

### **SECTION 2 – FUND OPERATIONS**

#### **Article 5 – The Management Company**

The Management Company manages the Fund in accordance with the strategy defined for the Fund.

The Management Company will at all times act on behalf of the unitholders and it alone is entitled to exercise the voting rights attached to the Fund units.

#### **Article 5a – Operating rules**

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

#### **Article 5b – Listing for trading on a regulated market and/or multilateral trading facility**

The units may be listed for trading on a regulated market and/or a multilateral trading facility in accordance with current regulations. If the Fund whose units are listed for trading on a regulated market has an investment objective based on an index, the Fund shall have set up a mechanism to ensure that the price of its units does not significantly differ from its net asset value.

#### **Article 6 – The Depositary**

The Depositary performs the duties for which it is responsible under the legal and regulatory provisions in force and those contractually entrusted to it by the Management Company. It must ensure that decisions taken by the portfolio's Management Company are lawful. As applicable, it shall take any prudential measures that it deems useful. It shall notify the AMF of any disputes with the Management Company.

#### **Article 7 – The Independent Auditor**

The governing body of the Management Company appoints an Independent Auditor for a term of six financial years, after obtaining the agreement of the AMF.

It certifies that the accounts are true and fair.

The Independent Auditor's appointment may be renewed.

The Independent Auditor is required to notify the AMF as soon as is practicable of any fact or decision concerning the undertaking for collective investments in transferable securities of which the Independent Auditor has become aware in the performance of the audit and that might:

1. Constitute a breach of the legal or regulatory provisions applicable to such undertaking and that may have a material effect on its financial position, earnings or assets;
2. Adversely affect the conditions or the continuity of its operations;
3. Lead to the expression of reservations or refusal to certify the financial statements.

Asset valuations and the determination of exchange rates used in currency conversions, mergers or demergers shall be audited by the Independent Auditor.

It appraises any contribution or redemption in kind under its responsibility, excluding redemptions in kind for an exchange-traded fund on the primary market.  
It shall verify the composition of the assets and other items prior to publication.

The Independent Auditor's fees shall be set by mutual agreement between the former and the governing body of the Management Company in accordance with a work programme specifying the measures deemed necessary.

The Independent Auditor shall certify the circumstances underlying any interim dividend distributions.

#### **Article 8 – Management report and accounts**

At the end of each financial year, the Management Company shall prepare the summary documents and draw up a report on the management of the Fund during the year just ended.

The Management Company prepares an inventory of the Fund's assets at least half-yearly, which will be audited by the Depositary. All the documents listed above are audited by the Independent Auditor.

The Management Company keeps these documents available for consultation by the unitholders for a period of four months from the year-end and informs them of their income entitlement. These documents are either sent by post at the express request of the unitholders, or made available to them at the Management Company's offices.

### **SECTION 3 – ALLOCATION OF DISTRIBUTABLE SUMS**

#### **Article 9**

Distributable sums consist of:

1. The net profit plus any amounts carried forward and plus or minus the balance of income accruals;
2. Realised capital gains, net of fees, less any realised capital losses, net of fees recorded during the financial year, plus any net capital gains of the same nature recorded during prior financial years which have not been distributed or accumulated and plus/minus the balance of capital gains accruals.

The sums mentioned under 1 and 2 may be distributed, in whole or in part, independently from one another.

Distributable income is paid out within a maximum of 5 months following the financial year-end.

The net profit of the Fund for the period is the total amount of interest, arrears, dividends, premiums and bonuses, Directors' fees and yields from the securities that make up the Fund's portfolio, plus the product of any amount held in cash, minus management fees and interest on loans.

The Management Company shall determine the allocation of the distributable sums.

For each class of units, as applicable, the Fund may select for each of the sums mentioned under 1 and 2 one of the following options:

Full accumulation: distributable sums will be fully accumulated, with the exception of those amounts which are subject to compulsory distribution by law;

Full distribution: the distributable sums are distributed in full, after rounding;

For Funds wishing to preserve the option to choose freely between accumulation and distribution, the Management Company shall decide every year how to allocate each of the sums listed under 1 and 2.

If applicable, the Management Company may decide, during the financial year, to pay one or more interim dividends within the limits of the net income of each of the sums mentioned under 1 and 2 recognised as at the date of the decision.

The specific terms of allocation of income are described in the Prospectus.

### **SECTION 4 – MERGER – DEMERGER – DISSOLUTION – LIQUIDATION**

#### **Article 10 – Merger – Demerger**

The Management Company may either transfer all or some of the Fund assets to another UCITS it manages or split the Fund into two or more other mutual funds, which it will manage.

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

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

If the level of the Fund's assets remains below the level specified in Article 2 above for a period of thirty days, the Management Company shall inform the AMF and shall wind up the Fund, except in the event of a merger with another mutual fund.

The Management Company may wind up the Fund early; it shall notify the unitholders of this decision and of the date after which no application for subscription or redemption shall be accepted.

The Management Company may also wind up the Fund if it receives an application to redeem all its units, if the Depositary ceases to operate and no other Depositary has been appointed, or on expiry of its term, if it is not extended.

The Management Company shall inform the AMF by mail of the winding-up date and procedures adopted. It will then send the Independent Auditors' report to the AMF.

The Management Company may decide, with the Depositary's consent, to extend the Fund's term. The decision must be taken at least three months before expiry of the Fund's anticipated term and the unitholders and the AMF must be notified.

#### **Article 12 – Liquidation**

In the event of dissolution, the Management Company or the person nominated to that effect will act as liquidator; failing that, a liquidator will be appointed by the court of law at the request of any interested party. To this end, the Management Company, or the Depositary where applicable, will be granted the broadest powers to sell the assets, pay off any creditors and distribute the available balance among the unitholders in the form of cash or securities.

The Independent Auditor and the Depositary will continue to perform their duties until the liquidation is complete.

### **SECTION 5 – DISPUTES**

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

Any disputes arising in relation to the Fund before its expiry or at the time of its winding up, whether among unitholders or between unitholders and the Management Company or the Depositary, shall be brought before the competent courts.

Rules updated on: 2 December 2024