

CM-AM CASH ISR

PROSPECTUS

A UCITS compliant with European Directive 2009/65/EU.

I - GENERAL CHARACTERISTICS

I-1 Form of the UCIT

► **Name:**

CM-AM CASH ISR

► **Legal form of and Member State in which the UCITS was incorporated:**

French mutual fund (*Fonds commun de placement - FCP*)

► **Date of creation and expected duration of existence:** The Fund was approved on 07 January 2022 and formed on 18 February 2022 for a term of 99 years.

► **Summary of the management offer:**

ISIN code	Allocation of distributable amounts	Currency	Initial net asset value	Eligible subscribers	Minimum initial subscription amount*
IC Unit: FR0000979825	Accumulation	Euro	152,449 euros	All subscribers	1 unit
ID Unit: FR0010948190	Distribution of net income	Euro	495,384.69 euros	All subscribers	1 unit
ES Unit: FR0013258886	Accumulation	Euro	100,000 euros	Unit intended for the feeder FCPEs of CM-AM CASH ISR	1 unit
RC Unit: FR0013353828	Accumulation	Euro	51,832.71 euros	All subscribers	1 millionth of a unit
RC2 Unit: FR0013400546	Accumulation	Euro	10 euros	Portion reserved for Milleis Banque clients	1 millionth of a unit
RC3 Unit: FR00140116S7	Total accumulation	Euro	100 euros	Unit reserved for international distribution networks	1 thousandth of a unit
S Unit: FR001400DG78	Total accumulation	Euro	100,000 euros	All investors, particularly those subscribing via distributors/intermediaries providing a third-party management service or receiving fee-based advice without retrocession	1 unit (except for UCIs managed by Crédit Mutuel Asset Management: one millionth of a unit)
S2 Unit: FR001400TDL0	Total accumulation	Euro	100 euros	All subscribers, particularly those subscribing via distributors/intermediaries providing a third-party management service or receiving fee-based advice without retrocession	1 millionth of a unit

* With the exception of UCIs managed by the asset management company.

► **Indication of where to obtain the fund rules, the latest annual report and the latest periodic statement, if they are not attached:**

The latest annual documents, together with the composition of the assets, will be sent within 8 working days on written request by the shareholder to:

CREDIT MUTUEL ASSET MANAGEMENT
Support Functions Department
128 boulevard Raspail – 75006 PARIS

I-2 Service providers

► **Asset Management Company:** CREDIT MUTUEL ASSET MANAGEMENT- 4, 128 boulevard Raspail – 75006 PARIS. A French Public limited company approved by the *Commission des Opérations de Bourse* i.e. the French Financial Markets Authority (now the *Autorité des Marchés Financiers* - AMF) and registered under No. GP 97-138.

The management company manages the Fund's assets in the exclusive interest of its unit-holders. In accordance with the applicable regulations, the asset management company has the financial, technical and human resources that are necessary to conduct its business effectively.

► **Depository and custodian:**

BANQUE FEDERATIVE DU CREDIT MUTUEL (BFCM) - 4 rue Frédéric-Guillaume RAIFFEISEN - 67000 STRASBOURG

The duties of the custodian cover the safekeeping of assets, ensuring that the decisions taken by the management company are in order, monitoring liquidity flows, and maintaining liabilities on behalf of the management company. The depository's functions include the custody of assets, verifying that the asset management company's decisions comply with regulations, monitoring the fund's cash flows, and, by delegation, serving as the fund's transfer agent and registrar. The depository will delegate the custody of assets held abroad to one or more local sub-custodians.

BFCM will serve as the fund's depository and the custodian of its assets and will be responsible for the processing of subscription and redemption orders by delegation. BFCM will also keep the register of the Fund's shares.

- a) Assignments:
 - 1. Depository and custodial:
 - i. Custody of assets
 - ii. Registrar services
 - 2. Monitoring the compliance of the asset management company's decisions
 - 3. Monitoring fund cash flows
 - 4. Transfer agency services by delegation
 - i. Processing of subscription and redemption orders
 - ii. Keeping of the issuance register.

Potential conflicts of interest: the policy for dealing with conflicts of interests is available on BFCM's website: <http://www.bfcm.creditmutuel.fr/>

A paper copy of this list may be obtained free of charge upon request from: BANQUE FEDERATIVE DU CREDIT MUTUEL (BFCM)

- b) Delegated custodian: BFCM

The list of delegates and sub-delegates is available at: <http://www.bfcm.creditmutuel.fr/>

A paper copy of this list may be obtained free of charge upon request from: BANQUE FEDERATIVE DU CREDIT MUTUEL (BFCM)

- c) Updated information is available to investors on request from: BANQUE FEDERATIVE DU CREDIT MUTUEL (BFCM)

► **Establishment in charge of centralising subscription and redemption orders - Establishment in charge of keeping the registers of units or shares by delegation (liabilities of the UCITS):**

For units to be registered or bearer shares registered with Euroclear: the custodian is - BANQUE FEDERATIVE DU CREDIT MUTUEL (BFCM)

For pure registered units to be registered or registered within the IZNES Shared Electronic Registration System (DEEP): IZNES Operations Department 20-22, rue Vernier - 75017 PARIS

► **Statutory Auditors:**

MAZARS – 61 rue Henri Regnault – 92075 PARIS LA DEFENSE

The Auditor certifies the accuracy and reliability of the Fund's accounts. It checks the composition of net assets and financial and accounting information before publication.

► **Delegated accounting manager:**

CREDIT INDUSTRIEL ET COMMERCIAL (CIC)
6, Avenue de Provence, 75009 PARIS

► **Distributors:** Banques et Caisses de Crédit Mutuel Alliance Fédérale and related entities.

► **Advisers:** N/A

II - FUND OPERATION AND MANAGEMENT

II-1 General characteristics:

► Unit characteristics:

- ISIN code “IC” unit: FR0000979825
- ISIN code “ID” unit: FR0010948190
- ISIN code “ES” unit: FR0013258886
- ISIN code “RC” unit: FR0013353828
- ISIN code “RC 2” unit: FR0013400546
- ISIN code “RC 3” unit: FR00140116S7
- ISIN code “S” unit: FR001400DG78
- ISIN code “S2” unit: FR001400TDL0

• Nature of the rights attached to the units:

Each unit-holder has a co-ownership right to the Fund's assets that is proportional to the number of units held.

• Entry in a register:

If shares are held in bearer form, the shareholder's rights are recorded in a personal account with the intermediary of their choice. If held in registered form, the shareholder's account will be kept either by the fund or by an intermediary selected by the shareholder.

The rights of holders who have subscribed via the Shared Electronic Registration System (DEEP) will be represented by an account entry in their name within the IZNES Shared Electronic Registration System (DEEP) in pure registered form.

• Liability management:

Subscription and redemption orders are centralised by BANQUE FEDERATIVE DU CREDIT MUTUEL (BFCM), for units to be registered or recorded as bearer units within EUROCLEAR, and by IZNES as the centraliser for units to be registered or recorded as pure registered units within the IZNES Shared Electronic Recording System (DEEP). These are then reflected as bearer shares in the unit issuer account kept by BANQUE FEDERATIVE DU CREDIT MUTUEL (BFCM) as aggregator of the funds received.

These tasks are carried out under delegation from the management company.

• Voting rights:

Since the fund is an FCP fund, the units carry no voting rights and all decisions are taken by the management company. Information concerning the fund will be notified to unit-holders either individually, through the press, via periodic documents or some other means.

• Form in which units are held:

The fund's units are bearer units admitted to Euroclear or in pure registered form within the IZNES DEEP system.

- All units: Bearer units admitted to Euroclear.
- IC, RC, RC2 Units: Units in pure registered form within the IZNES DEEP system

• Decimalisation:

Units are expressed in fractions of one-thousandth. The RC, RC2, S and S2 units are expressed in millionths

► **Closing date:** last day of trading on the Paris stock exchange in March

Closing date of first financial year: last day of trading on the Paris stock exchange in March 2022

► Details on the tax system:

The Fund is not subject to corporation tax and unit-holders enjoy tax transparency.

Depending on the unit-holder's tax regime, the income and capital gains obtained from the Fund's units may be subject to taxation.

If prospective investors have a question about their tax situation they should contact a tax advisor.

II-2 Specific characteristics

► ISIN code “IC” unit: FR0000979825

ISIN code “ID” unit: FR001094819

ISIN code “ES” unit: FR0013258886

ISIN code “RC” unit: FR0013353828

ISIN code “RC 2” unit: FR0013400546

ISIN code “RC 3” unit: FR00140116S7

ISIN code “S” unit: FR001400DG78

ISIN code “S2” unit: FR001400TDL0

► **Classification:** Standard variable net asset value (VNAV) money market funds

► **Fund of fund:** Up to 10% of net assets

► **MMF approval date:** 22/01/2019

► **Management objective:**

This Fund is actively managed on a discretionary basis in compliance with a qualitative extra-financial filter in accordance with the policy implemented by Crédit Mutuel Asset Management and in compliance with the requirements of the French SRI label and using an ESG integration and selectivity approach to management.

Its management objective is to achieve a return (net of fees applicable for the particular unit class) that outperforms its benchmark index, which is the Compounded €STR over the recommended investment period, in the event of particularly low, negative or volatile interest rates, the net asset value of the Fund may fall structurally, which could have a negative impact on the performance of your Fund and compromise the management objective of capital preservation.

► **Benchmark:**

COMPOUNDED €STR: The Euro Short-Term Rate (€STR) tracks the overnight borrowing rate of the eurozone interbank market. It is published every market trading day (Target 2) by the ECB and is based on the previous day's trading. The compounded €STR index is calculated to reflect the reinvestment of interest. Additional information about this index is available on the administrator's website: https://www.ecb.europa.eu/stats/financial_markets_and_interest_rates/euro_short-term_rate/html/index.en.html

The European Central Bank, which is the administrator of the €STR benchmark index, is exempted from Article 2.2 the Benchmark Regulation since it is a central bank, and therefore does not have to be registered in ESMA's register.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

The Fund's benchmark index does not assess or include environmental and/or social characteristics in its constituents.

► **Investment Strategy:**

1 – Strategies employed:

In order to achieve the management objective, the UCITS adopts an active management style to achieve a return close to that of the money market, with market risk comparable to that of its benchmark index, while maintaining regular increases in net asset value.

The UCITS management company establishes an initial investment universe comprising issuers belonging to the Bloomberg Barclays Euro Aggregate Corporate Index and all issuers domiciled in the OECD area with an issuance programme. Securities are selected from within this universe, but may also be selected from outside this universe up to a limit of 10%, provided that these securities have an ESG score above the exclusion threshold applicable to the universe and meet the sub-fund's investment criteria. Within this universe, eligible instruments are money market instruments that meet the criteria of Regulation (EU) 2017/1131 on money market funds (MMFs) and term deposits from credit institutions.

The fund incorporates environmental, social and governance criteria (ESG) as per Article 8 of Regulation (EU) 2019/2088, known as the "Sustainable Finance Disclosure Regulation" (SFDR).

In its investment decisions, the management team endeavours to take account of the European Union's criteria for economic activities considered to be sustainable under the "Taxonomy" regulation (EU) 2020/852. Based on the issuer data currently available, the minimum percentage of alignment with the European Union Taxonomy is 0%.

The principle of "do no significant harm" applies only to the underlying investments of the financial product that take into account the European Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not consider the European Union's criteria for environmentally sustainable economic activities.

The principle negative impacts are also taken into account in the investment strategy and are supported by controversy monitoring and sector exclusion policies specific to Crédit Mutuel Asset Management, as described below, the ESG rating and Sustainable Investment.

Pre-contractual information on the environmental or social characteristics promoted by the Fund is available in the appendix.

The investment process is based on an approach that integrates ESG criteria into the management process and is divided into three steps:

Step 1: Legal and sector exclusion policies and controversy management

From the initial investment universe, the management team will apply a filter linked to Crédit Mutuel Asset Management's sector exclusion policies, which it implements to manage its funds. In addition to legal exclusions, sectoral exclusions are also applied.

The management of controversies relating to each security shall be subject to specific analysis, monitoring and rating. The management company will exclude all companies with major controversies. At the same time, a process for escalating controversies (analysis and handling) is implemented by Crédit Mutuel Asset Management's financial and extra-financial analysis division to monitor the companies concerned and determine whether they should be retained or excluded.

Crédit Mutuel Asset Management classifies the companies in which it invests according to their severity, frequency and management, particularly in terms of financial impact, using the following codes:

- "green": issuer authorised in the portfolio
- "yellow": increased vigilance
- "orange": purchase prohibited; if the issuer is in the portfolio, the position is frozen
- "red": exclusion from the portfolio

The controversy monitoring and sector exclusion policies are available on Crédit Mutuel Asset Management's website.

Step 2: ESG filter:

The extra-financial analysis carried out in accordance with the ESG security selection process described below results in the exclusion of at least 30% of the lowest-rated issuers in the initial investment universe under consideration.

Crédit Mutuel Asset Management's proprietary ESG analysis is based on three complementary pillars:

- a. Environment (e.g. CO2 emissions, electricity consumption, waste recycling)
- b. Social (e.g. quality of social dialogue, employment of people with disabilities, employee training)
- c. Governance (e.g. gender diversity on boards of directors, transparency of executive compensation, anti-corruption measures).

Extra-financial criteria are taken into account using an ESG analysis model developed by Crédit Mutuel Asset Management based on data from selected extra-financial data providers. This model enables issuers to be assessed and rated on performance indicators specific to each business sector.

Information on how the ESG analysis model works is available on the Crédit Mutuel Asset Management website.

A qualitative analysis supplements the non-financial analysis produced by the model in order to validate the consistency of the information collected, in particular through interviews with the various stakeholders.

In addition, the extra-financial analysis division has formalised a dialogue and engagement process aimed at improving the consideration of ESG (Corporate Responsibility and Sustainable Transition) issues by the companies in which the Fund invests. The commitment process is based on dialogue with issuers and the monitoring of commitments made and results obtained in Crédit Mutuel Asset Management's proprietary ESG analysis model. Dialogue is at the heart of this approach, which aims to encourage better practices and, more generally, greater transparency on ESG issues.

When selecting companies, this approach specifically aims to assess, as a trend over time, the issuer's ability to integrate and innovate across the three pillars of our ESG integration approach.

This approach therefore excludes at least 30% of the securities with the lowest ESG scores in the initial investment universe covered. Together, these excluded issuers constitute the ESG exclusion list. This list is drawn up on a monthly basis and sets a minimum ESG score threshold below which the UCITS may not invest.

The extra-financial performance analysis methodology developed by Crédit Mutuel Asset Management is dependent on the exhaustiveness, quality and transparency of the data provided by the extra-financial rating agencies on issuers, which limits the analysis carried out.

Step 3: Financial analysis and portfolio construction:

Financial analysis: This new universe is analysed from a financial point of view (see below) to ensure that only stocks of clearly identified quality are retained:

- Sector analysis including the regulatory framework
- Synthesis of specialised external research,
- Growth & profitability
- Management & strategy
- Balance sheet quality (debt ratio, liquidity ratio, etc.)
- Valuation

This universe constitutes the list of securities eligible for investment.

To select and monitor fixed income securities, the management company does not rely exclusively or automatically on rating agencies. When selecting and monitoring debt securities the asset management company does not automatically or exclusively rely on rating agencies. It mainly relies on its own credit analysis, which ensures that all investment decisions are taken in the interest of unit-holders.

Portfolio construction:

This part of the process is based on active management of the average life of securities taking into account any expectations of changes in eurozone central bank interest rates, management of the money market yield curve and management of monthly fluctuations in the €STR as well as defining the classification. The split between variable and fixed rates will change in line with expected changes in interest rates. Credit risk is managed on a day-to-day basis to try to optimise the portfolio's return through a rigorous selection of issuers.

Instruments issued in currencies other than the euro are systematically hedged against currency risk.

Direct or indirect exposure to equity and commodity risk, even through financial contracts, is prohibited.

However, companies with the highest ESG ratings will not automatically be included in the portfolio; their inclusion in the final portfolio remains at the discretion of the fund manager.

The securities selected by the management team, which incorporate non-financial criteria, and the UCITS selected by the management team that have been awarded the French SRI label represent 90% of the portfolio. The Fund may invest in securities that do not incorporate extra-financial criteria and in units or shares of UCIs that do not carry an SRI label, up to a limit of 10% of net assets.

2 – Assets (excluding embedded derivatives):

The Fund may invest in:

- debt securities and money market instruments:

The portfolio consists of money market instruments meeting the criteria of Directive 2017/1131/EC and term deposits with credit institutions. The fund manager ensures that the instruments in the Fund's portfolio are of high credit quality through the application of a rigorous internal analysis and assessment process by the management company, or by reference, but not exclusively, to the short-term ratings of the ESMA-registered rating agencies which have rated the instrument and which the asset management company deems to be the most relevant, while avoiding any mechanical dependence on these ratings. If the instrument is not rated, the asset management company determines an equivalent quality using an internal process.

A money market instrument is not of high credit quality if it does not have at least one of the two highest short-term ratings determined by the asset management.

In addition, the fund may hold money market instruments issued or guaranteed by a local, regional or central authority of a Member State, the central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank or rated at least Investment Grade according to the analysis of the management company or by reference to agency ratings.

The Fund limits its investments to financial instruments with a maximum residual maturity of 2 years or less, provided that the rate can be revised within a maximum period of 397 days.

The weighted average maturity (WAM) is less than or equal to 6 months. The weighted average life (WAL) of financial instruments is less than or equal to 12 months.

The Fund invests mainly in fixed-rate, floating-rate, revisable or index-linked financial instruments, in compliance with the rating, maturity and life rules defined above: bonds, BTFs, BTANs, BMTNs, EMTNs meeting money market management criteria, Treasury notes, certificates of deposit, Treasury bills and similar securities.

In the event of a downgrade in the rating of fixed income products, particularly in the event of a change in the credit quality or market risk of a security identified by the rating agencies or by the asset management company, the asset management company carries out its own credit analysis to decide whether or not to sell the securities concerned.

By way of exemption, the Fund may invest up to 100% of its assets in various money market instruments issued or guaranteed individually or jointly by the Union, the national, regional or local authorities of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority (for example: European Central Bank, EU Member States (Germany, France, Italy, Spain etc), CDC, ACOSS, APHP, BPI) or the central bank of a third country (United States, Japan, United Kingdom, Norway, Switzerland, Canada, Australia), the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements or any other relevant international financial institution or organisation to which one or more Member States belong (IBRD - WORLD BANK, IMF, African Development Bank, Asian Development Bank).

Internal credit rating assessment procedure:

I- Description of the scope of the procedure

Purpose of the procedure

To enable investment in assets of good credit quality. Only issuers with a positive internal rating, i.e. with one of the 2 best short-term internal ratings, are authorised in money market funds. Only securities from issuers with one of the 2 best short-term internal ratings are authorised in money market funds.

Scope of application

The procedure is applied systematically to money market instruments.

II- Description of participants of the procedure

People in charge of the various tasks

- gathering information and implementing the methodology: analysts and Risk Control;
- systematically validating the final assessment of credit quality: Risk Control;
- controlling the implementation: Permanent Control and Compliance;
- Reviewing / validating the methodology: Risk Committee.

The Risk Committee is chaired by the Managing Director of CREDIT MUTUEL ASSET MANAGEMENT, the other full members are senior executives of CREDIT MUTUEL ASSET MANAGEMENT and CREDIT MUTUEL GESTION.

The Risk Department chairs this committee, and is represented by the Risk Director, the Head of Risk Control and the Head of Compliance and Internal Control.

III- Frequency of assessment

The groups and issuers in the entire management universe of CREDIT MUTUEL ASSET MANAGEMENT are analysed and rated at least once a year in accordance with an internal procedure. In the event of an event likely to have a negative impact on credit quality (e.g. a significant deterioration in the operating environment, a major acquisition, etc.), credit quality is systematically reviewed.

IV- Description of the input and output parameters of the procedure

The internal rating is based on the following elements:

- Quantitative aspects:
 - The financial profile of a group of issuers based on its financial data
 - Information on bond and CDS prices
 - Default statistics
 - Financial indices
- Qualitative aspects: this section assesses an issuer's operational profile based on a set of criteria that make it possible to measure, among other things, the economic and regulatory environment, external support, and the positioning and quality of the issuer's management.
- Sectoral aspects: this block assesses the risk of the sector in which the issuer operates, based on criteria such as the intensity of competition, market concentration and profitability.
- adjustment factors: this block is used to adjust the rating when it is not sufficiently representative of the issuer's credit risk (major event impacting credit quality, etc.).
- Type of transmitter
- The liquidity profile of the instrument
- The asset class to which the instrument belongs

Issuers are analysed mainly on the basis of publicly available documents and information. Other sources of information can also be used:

- External credit analyses (S&P, Moody's) within the framework of subscriptions for the supply of credit ratings as well as databases of financial data;
- Documents obtained during investor presentations;
- Trade union websites;
- Press articles;
- Internal mobility;
- Information from Bloomberg, Thomson Reuters.

The result of the model is a score which is converted into a rating.

V- Description of methodology

Corporates

The internal score grid is based on the following elements:

- Sectoral Risk: this block assesses the risk of the sector in which the issuer operates, based on criteria such as the intensity of competition, profitability outlook, volatility of margins, market growth.

- Operational risk (excluding sector risk): this is made up of a number of criteria used to assess the issuer's level of competitiveness (market positioning, geographical diversification, etc.) and the expertise of its management.
- Financial risk: this covers all quantitative criteria based on the issuer's financial data (various ratios calculated from the balance sheet and income statement).
- Adjustment: this block is used to adjust the automatic rating resulting from the rating model when it is not sufficiently representative of the issuer's risk. In particular, the rating may be adjusted according to the strategic nature of the business and/or the shareholder's support capacity, especially when the shareholder is a government. Other factors such as the capacity to absorb shocks, the issuer's relationship with its banks, market perception or the issuer's management of financial risk may also be taken into account to adjust the rating.

Each criterion is rated from 1 to 5 (very weak to very strong) and weighted to obtain a score that is converted into a short-term internal rating. The weightings were determined by a group of experts on the basis of the ACPR's (the French Prudential Supervision Authority) recommendations, advice from Standard & Poor's and an analysis of the practices of Moody's.

An analysis of various market data (CDS, bond prices, financial indices, etc.) is used to refine the ratings using monitoring.

Occasionally, and for reasons that are always justified by the analyst, the rating may be adjusted upwards or downwards.

Sovereign members of the EU

Internal ratings are the transposition of external ratings issued by reference agencies: Standard & Poor's, Moody's and Fitch. The external rating used is the lower of the two best external ratings from the reference agencies. It is then transposed into internal notation according to a correspondence table. Special cases: when there are only two external ratings, the lower of the two is used for transposition. Where there is only one external rating, this is used for transposition.

Occasionally, and for reasons that are always justified by the analyst, the rating may be adjusted upwards or downwards.

Financials

The scoring grid takes into account two main sets of criteria:

- Quantitative criteria, which make it possible to assess a group's financial profile on the basis of its latest financial data (ratios calculated mainly on the basis of the balance sheet and income statement + prudential ratios).
- Qualitative criteria to measure, among other things, the economic and regulatory environment, external support, and the positioning and quality of the group's management.

These criteria are all assessed on a scale from 5 (very good) to 1 (poor). The weightings of the various criteria and families of criteria reflect their relative importance in the analysis of the entity's credit risk.

In accordance with the classic "CAMEL" financial analysis model, the key ratios have been selected from the following four families:

- Profitability
- Capital
- Risks
- Refinancing and Liquidity

The four main families of ratios are supplemented by a number of indicators reflecting trends in key aggregates:

- Current profit trend
- GNP trend
- Growth of assets

The weighting of each ratio within its family is defined according to its level of importance, its degree and its quality of information in the various sources at our disposal.

For banks, particular attention is being paid to their appetite for market activities, which are a potential source of earnings volatility. This criterion will be assessed by analysing the following ratios:

- Net trading income/GNP
- Maximum or average total VaR/Equity
- Results of stress scenarios carried out by the bank
- Assessment of market risk exposure and management

The quantitative ratios in the grid do not always give a good indication of the quality of the bank's liquidity and refinancing. A more qualitative assessment criterion for these elements completes the set of ratios.

The score for 'overall liquidity management' is based on an assessment of the following points:

- Quality of primary liquidity: ability to cover short-term debt with rapidly available and fully negotiable assets.
- Easy access to refinancing on the markets:
 - Existence and capacity of the market to ensure liquidity;
 - Quality and stability of market reputation;
 - Amount of confirmed bank lines granted by Investment Grade banks;
 - Diversification of resources by maturity and type (ability to use alternative sources of refinancing such as covered bonds).
- Quality of asset/liability management and liquidity management: existence of appropriate procedures, tools and methods (gap analysis, stress scenarios).

This assessment must be completed by taking into account the regulatory ratios LCR (Liquidity Coverage Ratio) and NSFR (Net Stable Funding Ratio) published by the bank.

For all financial products, the various qualitative criteria are rated from 5 (Very Good) to 1 (Poor) and relate to the following five areas:

- Economic and banking environment
- External support
- Commercial positioning and diversification
- Management, strategy, procedures
- Outlook

A score is obtained by weighting the various quantitative and qualitative elements. It is then converted into an internal short-term rating.

An analysis of various market data (CDS, bond prices, financial indices, etc.) is used to refine the ratings using monitoring.

Occasionally, and for reasons that are always justified by the analyst, the rating may be adjusted upwards or downwards.

VI- Description of the review framework

The procedure for assessing credit quality and the relevance of the model is reviewed annually by the Risk Committee.

In the event of a significant change, the asset management company will modify its system to adapt it as closely as possible to the new situation. Temporarily, the information displayed in the bylaws may not accurately reflect the procedure. In the best interests of unit-holders and taking operational constraints into account, the management company will therefore update the description of the procedure as soon as possible.

- Units or shares in UCITS, AIFs and other investment funds:

The Fund may invest up to 10% of net assets in French or foreign UCITS funds and in French general purpose investment funds (FIVG) that meet the requirements of Article R.214-13 of the French monetary and financial code governed by Regulation (EU) 2017/1131.

These collective investments may be managed by the asset management company or by an affiliated company.

3- Derivative financial instruments:

Type of markets used:

- Regulated markets
- Over-the-counter markets.

Risks which the fund manager may hedge or seek exposure to:

- Interest rate risk: hedging
- Currency risk: hedging

Within the limits of maturity calculations for the weighted average maturity (WAM) and the weighted average life to maturity (WAL) and within the overall risk limit, the manager may take positions to hedge interest rate and currency risks.

Type of instruments used:

- futures contracts;
- options;
- swaps
- forward exchange contracts;

The fund manager does not use Total Return Swaps.

Strategy for using derivatives to achieve the investment objective:

Derivative financial instruments may be used to:

- adjust the Fund's cash position, particularly when it must accommodate a large volume of subscriptions and/or redemptions involving the UCITS.
- adapt to changes in market conditions, such as a major market movement, or an improvement in liquidity or in the effectiveness of derivative instruments.

Counterparties:

No counterparty has any discretionary decision-making power over the composition and management of the portfolio or the underlying assets of the derivative financial instruments. No portfolio transactions require the approval of a counterparty. No counterparty approval is required for any transaction in the portfolio.

4- Securities with embedded derivatives:

Risks which the fund manager may hedge or seek exposure to:

- Interest rate risk: hedging and/or exposure
- Credit risk: hedging and/or exposure

Within the limits of the calculations of weighted average maturity (WAM) to the portfolio's maturity date, and weighted average life (WAL) to the securities' final repayment date.

Type of instruments used:

- callable securities
- puttable securities
- structured securities/EMTN

The fund manager may use securities with embedded derivatives in accordance with the asset management company's programme of operations.

Strategy for using securities with embedded derivatives to achieve the investment objective:

The fund manager may use securities with embedded derivatives if such securities offer an alternative to other financial instruments or if they have no exact equivalent.

5- Deposits:

The Fund may make deposits with one or more credit institutions in accordance with the applicable regulatory limits.

6- Cash loans payable:

N/A

7- Temporary purchases and sales of securities:

The fund may engage in short term securities transactions for cash management purposes or for investment objectives, while taking risks that are in line with its investment policy.

- Repurchase agreements: the Fund may sell securities to another fund or other legal entity for an agreed price. The securities must be returned when the transaction is terminated.

Possible types of transactions

The Fund may engage in the following securities financing transactions:

- reverse repurchase agreements subject to the French Monetary and Financial Code
- repurchase agreements subject to the French Monetary and Financial Code

Types of trades:

- Cash management;

All securities financing transactions will be carried out in accordance with the Fund's best interests and must not cause the fund to deviate from its investment objective or take additional risks.

The Fund must ensure that it is able to recover any securities that have been temporarily disposed of under a repurchase agreement, and to recover the full cash amount under a reverse repurchase agreement.

Types of assets that may be traded:

Securities that are eligible pursuant to the investment strategy and money-market instruments (for example: money market instruments such as negotiable debt securities with a positive rating)

Expected and permissible extent of use:

- Repurchase agreements: The expected level of utilisation is 8% of net assets. The Fund reserves the right to use up to 10% of its net assets.
- Repurchase agreements: The expected level of utilisation is 10% of net assets. The fund reserves the right to use up to 100% of its net assets

Remuneration:

The Fund will be exclusively entitled to any income from the temporary acquisition or disposal of securities.

Selection of counterparties:

Counterparties may be selected from any geographic region excluding the emerging countries, provided they have an Investment Grade rating when purchased, as assessed by the management company or a credit agency. They will be selected on the basis of the criteria of the asset management company's evaluation and selection procedure.

► Contract constituting financial guarantees:

When engaging in transactions involving over-the-counter derivative financial instruments and temporary acquisitions/disposals of securities, the UCITS may receive financial assets considered as collateral and intended to reduce its counterparty risk exposure.

For OTC derivative transactions, this collateral will mainly be in the form of cash or financial securities. For securities financing transactions, it will mainly consist of cash and eligible government bonds.

These bonds must be issued or guaranteed by a central government or local authority of an OECD member country, or by a supranational institution or body of EU, regional or global scope.

All collateral collected must comply with the following principles:

- Liquidity: All securities collateral must be highly liquid and rapidly tradable on a regulated market at a transparent price.
- Transferability: Collateral must be transferable at all times.
- Valuation: All collateral collected must be valued daily at the market price or using a pricing model. A conservative discount or "haircut" will be applied to securities that are significantly volatile or if their credit quality declines.
- Issuer credit quality: All collateral must be of high quality, as determined by the asset management company.

- Investment of cash collateral: Cash collateral must either be deposited with an eligible entity, invested in premium quality government bonds (with a credit rating that meets the criteria for money market UCITS and/or AIF), invested in money market UCITS and/or AIF, or used for reverse repo transactions with a credit institution,
- Correlation: the issuer of the collateral must be independent of the counterparty.
- Diversification: Exposure to any single issuer must not exceed 15% of net assets.
- Custody: All collateral received must be placed with the Depositary or one of its agents or a third party under its control, or with a third-party depository subject to prudential supervision and which has no relationship with the provider of the collateral.
- Prohibition on re-using collateral: Non-cash collateral collected may not be sold, reinvested or pledged as collateral.

► **Risk profile:**

Your money will mainly be invested in financial instruments selected by the management company. These instruments will be subject to market developments and fluctuations.

Unit-holders may be exposed to the following risks:

- **Risk of capital loss:** A capital loss occurs when a share is sold at a lower price than that paid at the time of purchase. The Fund offers no capital guarantee or protection. The capital initially invested is subject to market fluctuations and may therefore not be fully recovered in the event of an unfavourable market development.

- **Discretionary management risk:** A discretionary investment style involves anticipating the behaviour of equity and/or fixed-income markets, and/or picking stocks. There is therefore a risk that the Fund may not always be invested in the best-performing markets or securities. It may therefore not achieve its performance objectives and its net asset value may decline.

- **Interest-rate risk:** An increase in interest rates could decrease the value of fixed-income instruments and consequently the net asset value.

- **Credit risk:** If an issuer's credit-worthiness deteriorates or the issuer defaults on its obligation, the value of these securities may decline and cause the net asset value to decline.

- **Risk related to the impact of techniques such as derivatives:** Market behaviour may adversely affect positions held in derivatives and cause net asset values to decrease significantly over short periods.

- **Counterparty risk:** Counterparty risk is the aggregate risk of all over-the-counter transactions (i.e. financial contracts, securities financing transactions and collateral agreements) with a given counterparty. Counterparty risk measures the risk of loss if the counterparty is unable to meet its contractual obligations prior to the final settlement of the transaction's cash flow. This could adversely affect the net asset value.

- **Legal risk:** There is a risk that contracts with counterparties may be improperly drafted, particularly with regard to the use of efficient portfolio management techniques.

- **Operational risk:** This is the risk that a service provider may improperly execute or fail to execute a securities transaction. This risk only arises when engaging in securities financing transactions.

- **Sustainability risk:** This is the risk of an environmental, social or governance event or condition the occurrence of which could have a material adverse impact, actual or potential, on the value of an investment.

► **Capital guarantee or protection:** N/A

► **Relevant subscribers and profile of the typical investor:**

ID units are, in accordance with the terms and conditions set out in the prospectus, open to all subscribers.

IC units are, in accordance with the terms and conditions set out in the prospectus, open to all subscribers.

ES units are, in accordance with the terms and conditions set out in the prospectus, specifically intended for feeder fund of CM-AM CASH ISR.

RC units are, in accordance with the terms and conditions set out in the prospectus, specifically intended for distribution in Spain.

RC2 units are, in accordance with the terms and conditions set out in the prospectus, specifically intended for Milleis Banque customers.

RC3 unit are, in accordance with the terms and conditions set out in the prospectus, reserved for international distribution networks.

S units are, in accordance with the terms and conditions set out in the prospectus, intended for all subscribers, and more specifically for investors subscribing via distributors/intermediaries providing management services on behalf of third parties or receiving paid advisory services without retrocession

S2 units are, in accordance with the terms and conditions set out in the prospectus, intended for all subscribers, and more specifically for investors subscribing through distributors/intermediaries providing management services on behalf of third parties or receiving paid advisory services without retrocession.

This fund is aimed at investors looking for a very short-term investment for their cash, backed by top-quality issuers.

The maximum amount that can be reasonably invested in this Fund depends on each investor's personal situation, which in turn depends on the investor's net worth, current needs, the investment period and the investor's willingness to take risks or preference for prudent investment. Investors are strongly recommended to diversify their investments so as not to limit their exposure to a single fund.

This Fund has not been registered with the US Internal Revenue Service pursuant to the US Securities Act of 1933. Its units/shares may therefore not be offered, sold or held, directly or indirectly, on behalf of or for the benefit of a "US Person", as defined under US regulations and in particular SEC Regulation S (Part 230-17 CFR 230.903), which may be viewed at: <http://www.sec.gov/about/laws/secrulesregs.html>

► **Recommended investment period: More than 7 days.**

► **Methods for determining appropriation of amounts available for distribution:**

The annual net income is the sum of the interest, arrears, dividends, premiums, bonuses, directors' fees and any other proceeds from the securities in the fund's portfolio, plus any proceeds from sums that were temporarily made available, after deduction of management fees and interest expenses.

Distributable amounts consist of the following:

1. Net income plus retained earnings and increased or decreased by the balance of the income adjustment account;
2. Realised capital gains, net of fees, less any realised capital losses, net of fees, recorded during the plus any net capital gains of the same kind recorded during previous periods that have not been distributed or accumulated, and plus or minus the balance of the capital gain adjustment account.

Accumulation (IC, ES, RC, RC2, RC3, S, S2 units):

All distributable amounts are accumulated each year.

Distribution (ID unit):

During the financial year, the Management Company may decide to distribute one or more interim dividends, limited to the net income recorded at the date of the decision. The coupon is distributed within 5 months of the end of the period. The choice of whether to accumulate, distribute annually or retain all or part of the distributable amounts rests with the portfolio management company, in accordance with the following table:

		Total accumulation	Partial accumulation	Total distribution	Partial distribution	Total retention	Partial retention
"IC" unit	Net income	X					
	Realised net capital gains or losses	X					
"ID" unit	Net income			X			
	Realised net capital gains or losses	X					
"ES" unit	Net income	X					
	Realised net capital gains or losses	X					
"RC" unit	Net income	X					
	Realised net capital gains or losses	X					
"RC2" unit	Net income	X					
	Realised net capital gains or losses	X					
"RC3" unit	Net income	X					
	Realised net capital gains or losses	X					
"S" unit	Net income	X					
	Realised net capital gains or losses	X					
"S2" unit	Net income	X					
	Realised net capital gains or losses	X					

► Unit characteristics

Subscriptions to a given unit class may be restricted to a specific category of investors on the basis of the objective criteria described in this section, such as the unit's initial net asset value and the minimum amount of the initial subscription.

ID units are open to all subscribers, in accordance with the terms set out in the prospectus.

IC units are open to all subscribers, in accordance with the terms set out in the prospectus.

ES units are, according to terms and conditions set out in the prospectus, specifically intended for feeder fund of CM-AM CASH ISR.

RC units are, according to terms and conditions set out in the prospectus, specifically intended for distribution in Spain.

RC2 units are, in accordance with the terms and conditions set out in the prospectus, specifically intended for Milleis Banque customers.

RC3 unit are reserved for international distribution networks, in accordance with the terms and conditions set out in the prospectus.

S units are, in accordance with the terms and conditions set out in the prospectus, intended for all subscribers, and more specifically for investors subscribing via distributors/intermediaries providing management services on behalf of third parties or receiving paid advisory services without retrocession

S2 units are, in accordance with the terms and conditions set out in the prospectus, intended for all subscribers, and more specifically for investors subscribing through distributors/intermediaries providing management services on behalf of third parties or receiving paid advisory services without retrocession.

- Initial net asset value of an IC unit: **€152,449**
- Initial net asset value of an ID unit: **€495 384.69**
- Initial net asset value of an ES unit: **€100,000**
- Initial net asset value of a RC unit: **€51,832.71**
- Initial net asset value of a RC 2 unit: **€10**
- Initial net asset value of a RC 3 unit: **€100**
- Initial net asset value of a S unit: **€100,000**
- Initial net asset value of a S2 unit: **€100**

The number of IC, ID and ES units are expressed in thousandths.

The number of RC2, RC, S and S2 units are expressed in millionths.

Minimum initial subscription amount for "IC units: 1 unit (with the exception of the Management Company and UCIs managed by it)

Minimum initial subscription amount for "ID" units: 1 unit

Minimum initial subscription amount for "RC" units: 1 millionth of a unit

Minimum initial subscription amount for "RC2" units: 1 millionth of a unit

Minimum initial subscription amount for "RC3" units: 1 thousandth of a unit

Minimum initial subscription amount for "S2" units: 1 millionth of a unit

Minimum initial subscription amount for "ES and "S" units: 1 unit

(except for CREDIT MUTUEL ASSET MANAGEMENT, which may subscribe for one thousandth of a unit from the first subscription)

Minimum amount of subsequent subscriptions and redemptions of "IC", "ID" and "ES" and "RC3" units: 1 thousandth of a unit

Minimum amount of subsequent subscriptions and redemptions of "RC", "RC2" and "S2" units: 1 millionth of a unit

► Subscription and redemption methods:

Subscriptions and redemptions are handled by:

- For units to be registered or registered in bearer form with Euroclear: the custodian is - Banque Federative du Credit Mutuel (BFCM)
- For units to be registered or held in pure registered form within the IZNES Shared Electronic Registration System (DEEP): IZNES

IC, ID, RC, RC2, RC3 and ES units: Subscription orders may be placed for a specific number of units or a specific amount. Redemption orders must be expressed in units only.

S and S2 unit: Subscription orders may be placed for a specific number of units or a specific amount. Redemption orders are accepted in number of units or for a specific amount.

Subscriptions may be paid for in securities.

Subscription and redemptions orders are processed every business day at 12h00

- Orders received before 12 noon will be executed based on the previous day's net asset value.
- Orders received after 12 noon will be executed at that day's net asset value.
- Orders received after 12 noon on a Friday or on a day preceding a bank holiday and/or public holiday in France are executed on the basis of the net asset value on the Friday or on the last working day preceding a bank holiday and/or public holiday in France, and include the coupon for the weekend and/or bank holiday(s) and/or public holiday(s).

Orders are executed in accordance with the table below:

D	D	D: the day the NAV is established ²	D	D	D
Subscription orders are processed before 12 noon ¹	Redemption orders are processed before 12 noon ¹	Orders are executed no later than day D	Publication of the net asset value	Subscriptions are settled ¹	Redemptions are settled ¹

¹Unless another cut-off time is agreed with your financial institution.

² The net asset value is established on D-1 and is not definitively acquired until the centralisation of fund inflows is fully completed.

The net asset value of the fund on which subscription and redemption orders are executed may be recalculated between the time orders are placed and the time they are executed, to take account of any interim exceptional market events.

► **Date and frequency of net asset value calculation:**

The fund's net asset value is calculated every business day, at opening prices, except on a day that the Paris Bourse is closed as per the Euronext SA calendar.

► **Dissemination and publication of the net asset value:**

It is available from the management company and the delegated financial manager.

► **Fees and charges:**

Subscription and redemption fees

Subscription and redemption fees will increase the subscription price paid by the investor or reduce the redemption price. The fees paid to the Fund are used to offset the costs incurred by the Fund to invest or disinvest the assets entrusted to it. Any fees that are not kept by the fund are paid to the asset management company, distributors, or other service providers.

Fees charged to investors on subscriptions and redemptions	Basis	Rate scale
Subscription fee not retained by the UCITS	NAV × number of units	IC, ID, ES, RC, RC2, RC3, S and S2 units: N/A
Subscription fee retained by the UCITS	NAV × number of units	IC, ID, ES, RC, RC2, RC3, S and S2 units: N/A
Redemption fee not retained by the UCITS	NAV × number of units	IC, ID, ES, RC, RC2, RC3, S and S2 units: N/A
Redemption fee retained by the UCITS	NAV × number of units	IC, ID, ES, RC, RC2, RC3, S and S2 units: N/A

Operating and management fees

These fees cover all costs invoiced directly to the UCI, with the exception of transaction fees

Operating charges and fees for other services may include the following:

- Fund registration and listing fees
- Client information and distributor expenses
- Depository fees, legal fees, auditor fees, tax-related fees, and similar
- Costs of regulatory compliance and regulatory reporting
- Operating expenses
- Data costs (including index costs, rating costs and ESG data costs)
- Know-your-client costs

	Fees charged to the Fund	Basis	Rate scale				
1	Asset management fees	Net assets	"IC", "ID" and "S units": Max. 0.48% incl. tax	"ES" Unit: Max. 0.13% incl. tax	"RC" and "RC3" units: Max. 0.63% incl. tax	"RC 2" unit: Max. 0.68% incl. tax	"S2" unit: Max. 0.53% incl. tax
2	Operating charges and fees for other services*	Net assets	IC, ID, ES, RC, RC2, RC3, S and S2 units: Max. 0.02% incl. tax				
3	Transaction fees Management company: 100%	Charged on each transaction	N/A				
4	Performance fees	Net assets	IC, ID, ES, RC, RC2, RC3, S and S2 units: 40% (incl. tax), of the return above the compounded €STR benchmark index + 0.03%, net of fixed management fees, even if this return is negative.				

Exceptional costs relating to the recovery of debts on behalf of the fund or to proceedings to enforce a right may be added to the recurring costs billed to the fund listed above.

* The actual operating expenses and fees for other services may exceed the permissible maximum rate, in which case the asset management company will pay the excess. In addition, the management company may be required to charge the maximum standard rate if the actual "operating and other service" costs are lower than the indicated rate.

Method used to calculate the performance fee:

(1) The performance fee is calculated using the indexed method.

The excess return to which the 40% tax-included rate applies is the difference between:

- the net asset value of the fund, net of fixed management fees, before taking the performance fee provision into account, and
- the value of a reference asset that has achieved a return equivalent to that of the benchmark index over the calculation period and with the same variations in subscriptions and redemptions as the fund:

(2) With effect from the fund's financial year beginning on 18/02/2022, any underperformance of the fund in relation to the indicator within the limit of the last five years is offset before outperformance fees become payable. For this purpose, a rolling observation period extendible from 1 to 5 years is implemented, and the performance fee calculation is reset to zero whenever a performance fee is charged. The table below sets out these principles on the basis of example performance assumptions over a 19-year period:

	Net performance	Underperformance to be offset the following year	Payment of the performance fee
YEAR 1	5%	0%	YES
YEAR 2	0%	0%	NO
YEAR 3	-5%	-5%	NO
YEAR 4	3%	-2%	NO
YEAR 5	2%	0%	NO
YEAR 6	5%	0%	YES
YEAR 7	5%	0%	YES
YEAR 8	-10%	-10%	NO
YEAR 9	2%	-8%	NO
YEAR 10	2%	-6%	NO
YEAR 11	2%	-4%	NO
YEAR 12	0%	0%*	NO
YEAR 13	2%	0%	YES
YEAR 14	-6%	-6%	NO
YEAR 15	2%	-4%	NO
YEAR 16	2%	-2%	NO
YEAR 17	-4%	-6%	NO
YEAR 18	0%	-4%**	NO
YEAR 19	5%	0%	YES

Net outperformance/underperformance is defined here as the fund's performance above/below the benchmark.

Notes on the example:

*The underperformance of year 12 to be carried forward to the following year (YEAR 13) is 0% (and not -4%) because the residual underperformance of year 8 which has not yet been compensated (-4%) is no longer relevant as the five-year period has elapsed (the underperformance of year 8 is only compensated for up to year 12).

**The underperformance of year 18 to be carried forward to the following year (YEAR 19) is -4% (and not -6%) because the residual underperformance of year 14 which has not yet been compensated (-2%) is no longer relevant as the five-year period has elapsed (the underperformance of year 14 is only compensated for up to year 18).

(3) Each time a net asset value is calculated:

- In the event of outperformance in relation to the outperformance trigger threshold, a provision is set aside.
- In the event of underperformance in relation to the outperformance trigger threshold, a provision reversal is recorded up to the available provisions.

(4) In the event of outperformance, the fee is payable annually on the last net asset value of the financial year.

It is capped at the difference between the maximum fixed management fee set out in the prospectus and the fixed fee actually applied. The accumulation of the actual fixed management fees and the performance fee is capped daily at the maximum rate of fixed management fees as set out in the prospectus.

Temporary purchases and sales of securities:

The Fund is entitled to all income from the use of efficient portfolio management techniques, net of direct and indirect operating costs.

Selection of intermediaries:

Intermediaries are selected and evaluated using procedures that are monitored.

All new business relations are reviewed and approved by an ad hoc committee before being approved by senior management.

Intermediaries are evaluated at least once a year. This evaluation is based on various criteria and most notably on the quality of order execution (e.g. execution price, execution speed and the quality of transaction settlement) and the effectiveness of research services (e.g. financial, technical and economic analyses and the pertinence of recommendations).

III – OBTAINING MORE INFORMATION

All information concerning the Fund may be obtained from the asset management company.

The "voting policy" document and the report on the conditions under which voting rights are exercised are available at www.creditmutuel-am.eu and will also be sent to any unit-holder who requests them from the management company at the following address:

- Management company:
CREDIT MUTUEL ASSET MANAGEMENT
128 boulevard Raspail – 75006 PARIS.

In some cases, information on events that may affect the Fund will be provided by Euroclear France and/or via various media in compliance with the applicable regulations and marketing policy.

Procedures have been implemented to prevent conflicts of interests from arising and to ensure that they are dealt with in the sole interest of unit-holders.

► ESG criteria

Information on environmental, social and governance (ESG) investment criteria is available at www.creditmutuel-am.eu and in the annual report.

IV – INVESTMENT RULES

Pursuant to the provisions of the French monetary and financial code, the rules that govern the composition of the fund's assets and its risk diversification must be observed at all times. If these limits are exceeded independently of the Management Company or following the exercise of a subscription right, the Management Company's priority will be to rectify the situation as quickly as possible, taking into account the interests of the fund's unit-holders.

V – OVERALL RISK EXPOSURE

The overall risk exposure to derivatives contracts is determined using the commitment approach.

VI – ASSET VALUATION AND ACCOUNTING RULES

RECOGNITION OF INCOME

The fund recognises income on a **cash basis**.

RECOGNITION OF SECURITIES TRANSACTIONS:

The recognition of the portfolio security transactions does not include trading expenses.

VALUATION METHODS

The following rules apply to all valuations of assets:

Listed equities and equivalent securities (both French and foreign):

These securities are valued at their market price.

The price used for valuation depends on where the security is listed:

European exchanges:	Daily opening price.
Asian exchanges:	Daily closing price.
Australian exchanges:	Daily closing price.
North-American exchanges:	Previous day's closing price
South-American exchanges:	Previous day's closing price

If no quote for a given security can be obtained the previous day's closing price will be used.

Bonds and equivalent debt instruments (both French and foreign) and EMTNs:

These securities are valued at their market price:

The price used for valuation depends on where the security is listed:

European exchanges:	Daily opening price.
Asian exchanges:	Daily closing price.
Australian exchanges:	Daily closing price.
North-American exchanges:	Previous day's closing price
South-American exchanges:	Previous day's closing price

If no quote for a given security can be obtained the previous day's closing price will be used.

If the fund manager feels that the price quoted is not realistic, a price that more closely reflects actual market conditions will be estimated. Depending on the sources available, various methods may be used to estimate this price, such as:

- the application of an internal valuation model
- a price from a price contributor
- an average price from two or more contributors
- a price calculated using an actuarial method, from a credit or other spread and a yield curve,
- etc.

Share or units of UCITS, AIF and other funds in the portfolio: These securities are valued on the basis of the fund's most recent net asset value.

Securitisation funds: Securitisation funds listed on a European market are valued at their daily closing price.

Temporary acquisitions of securities:

Reverse repurchase agreements: Valued at the contractual value. The term will not exceed three months.

Optional repurchase agreements: Contractual valuation, as the seller's repurchase of the shares is envisaged with sufficient certainty.

Securities borrowing: Borrowed securities and the corresponding repayment obligation are valued at the market value of the securities concerned.

Temporary disposals of securities:

Repurchase agreements: Securities delivered under repurchase agreements are valued at market price, debts representing securities delivered under repurchase agreements are maintained at the value set out in the contract.

Securities lending: Securities that are lent are valued at their market price. These securities are recovered by the Fund when the lending agreement expires.

Unlisted securities:

Valuation using methods based on asset value and yield, including consideration of prices in recent significant transactions.

Negotiable debt securities:

NDSs (negotiable debt securities) acquired with a residual life are valued at their market value.

Applicable market values:

BTF/BTAN

The yield to maturity at the daily rate published by the Banque de France.

Other NDSs:

Other negotiable debt securities that are regularly quoted will be valued at yield to maturity or at the daily market price.

Securities for which prices are not regularly or realistically quoted will be valued using an actuarial model that uses the yield to return method at a reference yield curve rate adjusted by a representative margin (to account for the issuer's intrinsic credit quality).

Futures contracts

The market prices used to value futures contracts must correspond to the prices of the underlying securities.

These prices depend on where the contracts are traded.

Futures listed on European exchanges are valued using:

- opening market price of the day or previous day's clearing price

Futures contracts listed on North American exchanges are valued at

- last trading price of the previous day or previous day's settlement price

Options

The market prices used for options observe the same rule as those used to value futures contracts and their underlying securities:

Options listed on European exchanges are valued using:

- opening market price of the day or previous day's clearing price

Options listed on North-American exchanges are valued using:

- last trading price of the previous day or previous day's settlement price

Swaps:

Swaps are marked to market.

Index swaps are valued at the price given by the counterparty, and the management company independently monitors this valuation.

When the quality and maturity of the securities swapped can be clearly determined, an overall assessment of these two factors is made.

Forward exchange contracts

These contracts are used to hedge the currency risk of portfolio securities that are denominated in a currency other than the fund's currency, by borrowing an equivalent amount of the other currency. Forward currency transactions are valued based on the lending/borrowing rate curve of the currency

VALUATION OF OFF-BALANCE SHEET COMMITMENTS

Futures and forward contract commitments are valued at their market value. The market value is the valuation price multiplied by the number of contracts and their nominal value. Forward contract commitments are valued at their nominal value, or lacking this at an equivalent amount.

Commitments on contingent transactions are determined based on the underlying equivalent of the option. This translation involves multiplying the number of options by a delta. The delta value is determined using a Black-Scholes type mathematical model with the following parameters: the underlying price, the time until expiration, the short-term interest rate, the option's exercise price and the underlying's volatility. The presentation of the off-balance sheet commitment reflects the economic nature of the transaction and not the position in the option transaction.

Performance-linked dividend swaps are recorded at their nominal value off-balance sheet.

Back-to-back and non-back-to-back swaps are recorded at their nominal value off-balance sheet.

VII - REMUNERATION

Detailed information on our remuneration policy is available at: www.creditmutuel-am.eu. A paper copy is available free of charge on request from CREDIT MUTUEL AM - 128 boulevard Raspail – 75006 PARIS.

FUND RULES

SECTION I - ASSETS AND UNITS

Article 1 - Co-Ownership of units

The rights of co-owners are expressed in units, with each unit corresponding to the same fraction of the Fund's assets. Each unit-holder has a co-ownership right to the Fund's assets that is proportional to the number of units held. The term of the fund is 99 years from the date of its incorporation, except in the event of early dissolution or extension as provided for in these regulations.

The units may, following a decision by the management company, be divided, grouped or split into tenths, hundredths, thousandths, ten-thousandths, or millionths, referred to as "fractional units".

Provisions herein governing the issue and redemption of units are applicable to fractional units, the value of which shall always be proportional to the value of the proportion they represent. All other provisions herein governing units apply to fractional units without need for further specification, unless otherwise stated.

The management company may, at its sole discretion, divide units by creating new units which are allocated to unit-holders in exchange for old units.

Article 2 - Minimum asset requirement

Units may not be redeemed if the assets of the Fund fall below €300,000; if the assets remain below this amount for 30 days, the management company shall take the necessary steps to liquidate the Fund concerned, or to carry out one of the transactions mentioned in Article 411-16 of the AMF General Regulation (transfer of the UCITS).

Article 3 - Issuance and redemption of units

Units shall be issued whenever subscribed by unit-holders, at their net asset value plus a subscription fee if applicable.

Redemptions and subscriptions are carried out under the terms and conditions defined in the prospectus.

Fund units may be listed in accordance with the regulations in force.

Subscriptions must be fully paid up by the date that the net asset value is calculated. This payment may be made in either cash and/or securities. The asset manager may refuse the securities offered in payment and has seven days from the date they are deposited to do so. If the securities are accepted, they shall be valued as indicated in Article 4 and the subscription shall be made at the first net asset value calculated after the securities are accepted.

Units may be redeemed in cash and/or in kind. If the redemption in kind corresponds to a representative share of the portfolio assets, only the signed documented agreement of the outgoing shareholder needs to be obtained by the Fund or the management company. When the redemption in kind is not for a representative portion of the portfolio assets, all unit-holders must provide their written consent to allow the redeeming unit-holder to have his/her/its units redeemed in exchange for specific assets, as specified explicitly in the consent form.

Notwithstanding the above, if the Fund is an ETF, redemptions in the primary market may be made in kind, with the management company's consent and if this is in the interest of the unit-holders, pursuant to the terms and conditions of the Fund's prospectus or rules. The assets will then be delivered by the depositary / registrar pursuant to the terms and conditions of the Fund's prospectus.

Redeemed assets will normally be valued in accordance with the rules set forth in Article 4 and redemptions in kind will be executed at the first net asset value that is determined after the securities are accepted.

Redemptions will be paid by the depositary / registrar within five days after unit valuation.

However, if, in exceptional circumstances, redemption requires the prior realisation of assets included in the funds, this period may be extended, but may not exceed 30 days.

Except in the case of inheritance or an inter-vivos distribution, the disposal or transfer of units between unit-holders or from unit-holders to a third party is equivalent to a redemption followed by a subscription. If a sale or transfer involves a third party the beneficiary shall, if necessary, supplement the amount of the transaction until the minimum subscription amount stipulated in the prospectus is reached. In accordance with Article L. 214-8-7 of the French monetary and financial code, redemption of units by the Fund and the issuance of new units may be suspended provisionally by the management company if required by exceptional circumstances and in the interests of unit-holders.

When the fund's net assets fall below the amount set by regulations, no units may be redeemed.

The UCITS may cease to issue units pursuant to the third paragraph of Article L. 214-8-7 of the Monetary and Financial Code, temporarily or permanently, partially or totally, in objective situations leading to the closure of subscriptions, such as a maximum number of units issued, a maximum amount of assets reached or the expiry of a specified subscription period. Existing shareholders will be informed by any means of the activation of this tool, as well as of the threshold and the objective situation that led to the decision of partial or total closure.

If subscriptions are partially suspended, the aforementioned notification must explicitly indicate the terms and condition under which the unit-holders may continue to subscribe for units throughout the partial suspension period. Unit-holders shall also be informed using any appropriate means of any decision by the Fund or the asset manager to either terminate the partial or total suspension of subscriptions (when the suspension trigger threshold is no longer exceeded), or to maintain the suspension of subscriptions (if the threshold or the objective situation that resulted in the suspension is modified). Such modification of the objective situation or of the suspension trigger threshold must always be made in the interest of unit-holders. The exact reasons for these changes will be communicated by all available means.

Article 4 - Calculation of net asset value

The net asset value of the units will be calculated in accordance with the valuation rules indicated in the prospectus.

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

SECTION 2 – OPERATION OF THE FUND

Article 5 - The management company

The Fund is managed by the management company in accordance with the Fund's strategy.

The Management Company acts in all circumstances in the exclusive interest of the unit holders and has sole authority to exercise the voting rights attached to the securities held in the fund.

Article 5 bis – Operating rules

The Fund's prospectus describes the Fund's investment rules and the instruments and deposits in which the Fund may invest.

Article 5 ter – Listing on a regulated market and/or a multi-lateral trading facility

The units may be listed for trading on a regulated market and/or a multi-lateral trading facility, in compliance with applicable regulations. If the Fund's units are listed on a regulated market and it has an index-based investment objective, it must implement a means to ensure that the market price of its units does not deviate substantially from its net asset value.

Article 6 – Depositary

The Depositary shall be responsible for the tasks incumbent upon it under the applicable laws and regulations and for its contractual obligations to the management company. It shall, in particular, ensure that the decisions taken by the asset management company are lawful. It shall, where appropriate, take any precautionary measures it deems necessary. In the event of a dispute with the management company, it shall inform the AMF.

Article 7 - Statutory auditor

A statutory auditor is appointed by the management company's executive body for a term of six financial years, subject to the approval of the Autorité des Marchés Financiers.

It certifies that the accounts are true and fair.

The auditor may be reappointed.

The auditor shall inform the AMF (Autorité des Marchés Financiers) as soon as possible, of any event or decision regarding the Fund of which it becomes aware in the course of its work and which may:

- 1) constitute a breach of the Fund's legal or regulatory requirements and which could have a significant impact on its financial situation, earnings or assets;
- 2) adversely affect the conditions or continuity of its operations;
- 3) Result in a qualified opinion or a refusal to certify the accounts.

Asset valuations and the determination of exchange parities in transformations, mergers or demergers are carried out under the supervision of the auditor.

It assesses any contribution or redemption in kind under its responsibility, except in the case of redemptions in kind for an ETF on the primary market.

The statutory auditor shall certify the composition of assets and other information prior to disclosure.

The auditor's fees are agreed between the auditor and the board of directors or the management company on the basis of the estimated auditing work required.

It certifies the situations that serve as a basis for the distribution of interim payments.

The auditor's fees shall be included in the management fees.

Article 8 - Financial statements and management report

At the close of each fiscal year, the management company shall draw up the financial statements and a report on the Fund's management for the year.

At least once every six months the management company will prepare an inventory of the Fund's assets under the depositary's supervision.

The management company shall make these documents available to unit-holders four months after the end of the financial year and shall inform them of the income to which they are entitled. These documents shall either be mailed to unit-holders at their express request or made available to them at the management company's premises.

SECTION 3 – ALLOCATION OF DISTRIBUTABLE AMOUNTS

Article 9 - Allocation of distributable amounts

The net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses and directors' fees and all other income from securities that constitute the Fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Distributable amounts consist of the following:

1. Net income plus retained earnings plus or minus the balance of the income adjustment account;
2. Realised capital gains/losses, net of costs, recorded during the financial year, plus similar net capital gains recorded in previous financial years which have not been distributed or capitalised, decreased/increased by the balance of the capital gains adjustment account.

SECTION 4 – MERGER - DEMERGER - DISSOLUTION - LIQUIDATION

Article 10 - Merger - Split

The management company may transfer all or part of the Fund's assets to another UCITS or split the Fund into two or more other UCITS. Such mergers or splits may only be carried out after unit-holders have been notified. A new certificate indicating the number of units held by each unitholder will be issued for this purpose.

Article 11 - Dissolution - Extension

If the assets of the Fund remain below the amount set out in Article 2 for over thirty days, the Management Company will inform the AMF and, unless it is merged with another mutual fund, will dissolve the Fund.

The management company may dissolve the Fund before it reaches its term. In this case it must inform the unit-holders of its decision and after this date will not accept subscription or redemption orders.

The management company shall also dissolve the Fund if the redemption of all units has been requested, if the depositary's appointment is terminated and no other depositary has been appointed, or upon expiry of the Fund's term if this term has not been extended.

The asset manager shall inform the Autorité des Marchés Financiers by mail of the dissolution date and of the dissolution procedure adopted. It will then send a copy of the statutory auditor's report to the Autorité des Marchés Financiers.

The management company may decide to extend the Fund's term, with the depositary's approval. It must make this decision at least three months before the Fund's term expires and inform unit-holders and the AMF of this decision.

Article 12 – Liquidation

In the event of dissolution, the duties of liquidator will be assumed by the asset manager or failing this, by the liquidator appointed by the court at the request of any interested party. For this purpose, liquidators shall be entrusted with full powers to sell assets, pay off any creditors and distribute the remaining balance among the unit-holders in the form of cash or securities.

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

SECTION 5 - DISPUTES

Article 13 - Jurisdiction - Election of domicile

Any disputes relating to the Fund arising during its lifetime or at the time of its liquidation, between either the unit-holders or between the latter and the Management Company or the Depositary, shall be submitted to the court having jurisdiction.