



Authorisation procedures, preparation of a KIID¹ and a prospectus and periodic reporting for retail investment funds, funds of alternative funds and professional alternative investment funds

References: Articles 421-1, 421-13, 421-33, 421-34, 421-38, 422-7, 422-11, 422-16, 422-17, 422-250 and 423-1 of the AMF General Regulation

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¹ KIID: key investor information document

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This instruction applies to:

- retail investment funds (FIVG) governed by paragraph 1 of sub-section 2 of section 2 of chapter IV of title I of Book 2 of the Monetary and Financial Code;
- funds of alternative funds (FFA) governed by paragraph 6 of sub-section 2 of section 2 of chapter IV of title I of Book 2 of the Monetary and Financial Code;
- and professional alternative investment funds (FPVG) governed by sub-paragraph 1 of paragraph 1 of sub-section 3 of section 2 of chapter IV of title I of Book 2 of the Monetary and Financial Code,

hereafter “AIF”.

In this instruction and unless otherwise specified, the concepts of master and feeder AIF are not to be interpreted within the meaning of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011² but within the meaning of Article L. 214-24-57 of the Monetary and Financial Code.

Unless otherwise specified, the term “management company” in this instruction refers to the asset management company authorised in France³ or the management company authorised in a Member State⁴ other than France that manages one or more AIF in France under the principle of freedom to provide services or the freedom of establishment.

Unless otherwise specified, where reference is made in this Instruction to the transmission of documents from the management company to the AMF, this must be done through the GECO database extranet. However, those management companies located in another Member State than France and managing or wishing to manage a French UCITS shall transmit such documents to the following address: gjo@amf-france.org.

² These definitions stemming from Directive 2011/61/EU are incorporated into paragraph IV of Article L. 214-24 of the Monetary and Financial Code.

³ Whether it is subject to title I ter or to title I bis or to title I quarter of book III of the AMF General Regulation.

⁴ Authorised in accordance with Directive 2011/61/EU and acting through a branch in France or under the principle of freedom to provide services.

CHAPTER I - PROCEDURES

Section I - Creation of an AIF

Authorisation process and periods for creating an AIF

Step	FCP or SICAV management company	Autorité des Marchés Financiers (AMF)
1	Files an authorisation application for an AIF	
2		Checks compliance of the application Acknowledges receipt of the application, specifying the expiry date of the authorisation period <i>or</i> rejects the application, with an explanation of the reasons for the rejection
3		Examines the application May contact the applicant May reject the application in the event of non-compliance with the fast-track authorisation process for a comparable fund
4		Where applicable, requests further information, which may or may not require the management company or the SICAV to submit a supplementary information sheet
4 bis	Where applicable, files the supplementary information sheet and the information requested within 60 days of the date of the request	
4 ter		Receives the supplementary information form and requested information Acknowledges receipt of the filing, specifying the new expiry date of the authorisation period
5		Provides notification of the decision to grant or refuse authorisation or implicit authorisation decision
6	Provides notification of the deposit certificate for the capital of the FCP or the initial capital of the SICAV	
7		Updates the information in the GECO database
8	Sends the final key investor information document (KIID), where applicable, and prospectus in accordance with the procedures stipulated in Annex XVII	

9	Posts the key investor information document (KIID) and, where applicable, the prospectus on its website
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Authorisation periods

Type of transactions	Period of time
Creation	1 month (or approx. 23 weekdays)
Creation of a dedicated AIF	8 weekdays
Creation of a feeder AIF	15 business days (or approx. 13 weekdays)
Creation under the fast-track process (Including the creation under the fast-track process of an AIF formed pursuant to a demerger decided on in accordance with the second paragraph of Article L. 214-24-33 or the second paragraph of Article L. 214-24-41 of the Monetary and Financial Code)	8 weekdays

Article 1 - Authorisation process

The creation of an AIF or an AIF compartment requires the authorisation of the AMF. Subject to the marketing procedure resulting from Directive 2011/61/EU (for AIF managed by authorised management companies in accordance with Directive 2011/61/EU), the AIF's units or shares may not be marketed until such authorisation has been obtained.

Specific provisions applicable to AIF managed by management companies authorised in accordance with Directive 2011/61/EU – Marketing procedure

Where the AIF is managed by an asset management company authorised in France in accordance with Directive 2011/61/EU,⁵ this company must comply with Articles 421-1 and 421-13 of the AMF General Regulation prior to marketing in France, respectively, to professional clients and retail clients.

Where the asset management company wishes to request the authorisation to market the units or shares in the AIF in France at the same time as the approval of the said AIF, the asset management company must complete the authorisation application accordingly and attach the necessary documentation (see Annexes I and I ter or III and III bis of this instruction).

⁵ The total value of the assets of the managed AIF, calculated in accordance with Article 2 of Commission Delegated Regulation (EU) 231/2013 of 19 December 2012, is greater than the thresholds set in Article R. 532-12-1 of the Monetary and Financial Code or where it is less than these thresholds but the asset management company has opted for full application of Directive 2011/61/EU.

The maximum period of twenty weekdays mentioned in Article 421-2 of the AMF General Regulation to indicate to the asset management company whether it can begin to market the AIF to professional clients also applies to the application to market to retail clients. If the marketing procedure is carried out at the same time as the authorisation, this period begins on the date of authorisation of the AIF subject to the completeness of the application. If the application is complete and compliant, the notification of marketing in France will be issued with the notification of authorisation.

The asset management company must refer to another AMF instruction where:

- a) it uses this procedure subsequent to the authorisation of the AIF, if the AIF was not marketed as soon as it was authorised;
- b) it wishes to market the AIF in a Member State other than France under the European passport.

Where the AIF is managed by a management company authorised in a Member State other than France, the management company must refer to another AMF instruction to market the fund in France.⁶

To obtain authorisation for the AIF, an application containing the items stipulated in this instruction must be filed with the AMF.

The authorisation application must be signed by a person duly empowered by the management company or by the SICAV if the latter is self-managed. This person must be either a legal representative, meaning one of the officers of the SICAV or management company, or a specifically empowered person.

Once the application has been filed, the AMF may request the submission of documents as evidence of the powers vested in the person filing the application at any point during the authorisation process.

In order to prevent excessively frequent applications for changes of AIF, the characteristics of AIF must be thoroughly and completely examined before filing any authorisation applications.

Article 2 - Filing the authorisation application

Article 2-1 - Standard process for filing authorisation applications

Pursuant to paragraph I of Articles 422-7 and 422-11 of the AMF General Regulation,⁷ the authorisation application filed with the AMF for the creation of AIF subject to this instruction must include:

- 1° The duly completed authorisation application form in Annex I;
- 2° The attachments referred to in Annex I, along with any other document that the management company deems necessary for the examination of the application;
- 3° The letter of undertaking in Annex II.

⁶ The marketing of units or shares of AIF managed by a management company established in a Member State other than France to retail clients in France is subject to specific requirements provided for in Article 421-13 of the AMF General Regulation:

- 1) An instrument for information exchange and mutual assistance in the field of third-party asset management has been put in place between the AMF and the management company's supervisory authority; and
- 2) The management company meets the conditions provided for in a mutual recognition agreement between the AMF and the management company's supervisory authority setting the special requirements applicable to the authorisation of management companies of AIF that may be marketed to retail customers.

⁷ Applicable to retail investment funds and, by reference to Articles 422-250 and 423-1 of the AMF General Regulation, funds of alternative funds and professional alternative investment funds.

The application may only be filed with the AMF online through the GECO database extranet in the area reserved for the management company.

Article 2-2 - Fast-track process for filing authorisation applications

Any authorisation application filed with the AMF under the terms of paragraph II of Articles 422-7 and 422-11 of the AMF General Regulation⁸ for the creation of the AIF concerned under the fast-track process must include:

- 1° The duly completed authorisation application form in Annex III;
- 2° The attachments referred to in Annex III, along with any other document that the management company deems necessary for the examination of the application;
- 3° The letter of undertaking in Annex IV.

This article does not apply to an authorisation application file transmitted to the AMF under the terms of paragraph II of Articles 422-7 and 422-11 of the AMF General Regulation, for the creation of an AIF formed pursuant to a demerger decided on in accordance with the second paragraph of Article L. 214-24-33 or the second paragraph of Article L. 214-24-41 of the Monetary and Financial Code. Such applications are the subject of a specific application file described in Article 17-2 of this Instruction.

The application may only be filed with the AMF online through the GECO database extranet in the area reserved for the management company.

Article 2-2-1 - Eligibility requirements for authorisation of a comparable fund

I. Pursuant to point 1° of paragraph II of Articles 422-7 and 422-11 of the AMF General Regulation: “1° *The reference UCITS or retail investment fund and the comparable SICAV [FCP] are managed by the same portfolio asset management company or the same delegated investment manager, or by investment management companies or delegated investment managers belonging to the same corporate group, and subject to the AMF’s assessment of the information provided by the management company of the comparable SICAV [FCP], in accordance with the requirements stipulated in an AMF instruction.*”

Where the comparable AIF and the reference UCITS or AIF are managed by management companies or delegated investment managers belonging to the same corporate group, the AMF shall assess their comparability in consideration of their use of common resources, management and control methods.

II. Pursuant to point 4° of paragraph II of Articles 422-7 and 422-11 of the AMF General Regulation: “4° *Subscribers to the comparable SICAV [FCP] shall meet the subscription and acquisition requirements of the reference UCITS or retail investment fund.*”

The subscription and acquisition rules of the comparable AIF and the reference UCITS or AIF referred to in point 4° of paragraph II of Articles 422-7 and 422-11 of the AMF General Regulation shall be assessed in consideration of the subscriber profile and the minimum investment amounts as set out in their prospectuses. For example, the subscription requirements of the comparable AIF must not be materially less strict than those of the reference UCITS or AIF. Similarly, a professional alternative investment fund or a professional specialised investment fund cannot serve as the reference AIF for retail investment funds since the subscription and acquisition rules of the comparable AIF are not maintained here at a level equivalent to those of the reference AIF.

The marketing materials of the comparable AIF may only differ from those of the reference UCITS or AIF filed with and examined, where applicable, by the AMF to the extent necessary, in order to maintain

⁸ *Applicable to retail investment funds and, by reference to Articles 422-250 and 423-1, funds of alternative funds and professional alternative investment funds.*

consistency between the information provided in such documents, in the key investor information document (KIID) and the prospectus of the comparable AIF. Differences, additions or omissions of information between the marketing materials of the comparable AIF and those of the reference UCITS or AIF must be clearly identified in the authorisation application for the comparable AIF.

III. Pursuant to point 5° of paragraph II of Articles 422-7 and 422-11 of the AMF General Regulation: *“5° The investment strategy, risk profile, operating rules and articles of incorporation of the comparable SICAV [FCP] shall be similar to those of the reference UCITS or retail investment fund”*.

The similarity of the investment strategy, risk profile, operating rules and articles of incorporation of the comparable AIF with those of the reference UCITS or AIF shall be assessed on the basis of the number and nature of identical features between these two funds. Any differences, additions or omissions of information between the two funds must be clearly identified in the authorisation application for the comparable AIF.

IV. Pursuant to point 3° of paragraph II of Articles 422-7 and 422-11 of the AMF General Regulation: *“The reference UCITS or retail investment fund has not undergone any changes other than those referred to in an AMF instruction. At the reasoned request of the management company of the comparable SICAV [FCP], the AMF may allow a UCITS or retail investment fund that has undergone changes other than those referred to in the instruction to be a reference UCITS or retail investment fund”*.

The changes referred to in point 3° of paragraph II of Articles 422-7 and 422-11 of the AMF General Regulation are:

1° A change that does not require the authorisation of the AMF of one of the service providers involved in the investment management or in the administrative and accounting management of the reference UCITS or AIF, or;

2° A change to the key investor information document (KIID) and/or prospectus of the reference UCITS or AIF of one of the following:

- a) Notice of compliance with the rules of investment and disclosure of Directive 2009/65/EC;
- b) ISIN code, UCITS or AIF name, expected period of existence;
- c) Change to the charges or means of collecting charges;
- d) Tax rules;
- e) Institution designated to centralise subscriptions and redemptions;
- f) Accounting period;
- g) Allocation of income;
- h) Date and frequency of net asset value calculations;
- i) Place and terms of net asset value publication;
- j) Creation of unit or share classes;
- k) Assets used, provided that the change in such instruments does not affect other items that are not referred to in this article.

You are reminded that the management company's programme of activity must be consistent with any changes that might have been made.

You are reminded that by way of derogation from points 1° to 5° of paragraph II of Articles 422-7 and 422-11 of the AMF General Regulation, when the comparable AIF was created by a demerger of an AIF that had already been authorised by the AMF, pursuant to the second paragraph of Article L. 214-24-33 or the second paragraph of Article L. 214-24-41 of the Monetary and Financial Code, the comparability of the new AIF is assessed by the AMF notably on the basis of whether the investment strategy, risk profile, operating rules and articles of association of the comparable AIF are similar to those of the reference AIF.

This process may not be used if the reference UCITS or AIF:

- has not drawn up a key investor information document (KIID);

- has drawn up a key investor information document (KIID), but the said document was not examined by the AMF as part of the initial authorisation process of the reference UCITS or AIF.

Article 2-3 – Filing an MMF authorisation application

Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017, known as the “MMF Regulation”, came into force on 21 July 2018.

Any AIF corresponding to the definition of a “money market” fund within the meaning of said regulation, must obtain an MMF authorisation **in addition to its authorisation as an FIVG, FFA or FPVG** and choose one of the four classifications referred to in points 1° to 4° of Article 30-7 of this Instruction.

For the purposes of the initial authorisation application, the applications for authorisation as an AIF (as referred to in Article 1 of this Instruction) and under the terms of the MMF Regulation are filed at the same time in a single file on the GECO database.

The authorisation application file transmitted to the AMF for the purpose of **obtaining MMF authorisation** of an AIF comprises:

- The authorisation application form for a money market AIF (Annex I ter);
- The letter of undertaking for a money market AIF (Annex II bis).

Article 3 - Registration by the AMF

When the authorisation application is received, the AMF proceeds with its registration. An acknowledgement of receipt of the application is sent to the SICAV or the management company. This acknowledgement of receipt certifies that the application has been filed with the AMF and stipulates the expiry date of the authorisation period, in accordance with the terms of Articles 422-7 and 422-11 of the AMF General Regulation.

If the application filed in accordance with the aforementioned Articles 422-7 and 422-11 of the AMF General Regulation is incomplete or non-compliant, it is returned to the sender with an explanation of the reasons for its rejection, which may be of two kinds:

1° Missing documents;

2° Documents are incomplete or do not comply with the laws and regulations in force.

Pursuant to Articles 422-7 and 422-11 of the AMF General Regulation, if the reference UCITS or AIF and the comparable AIF do not comply with the requirements referred to in paragraph II of Articles 422-7 and 422-11 of the AMF General Regulation, “the AMF shall notify the applicant, stipulating that the further information must be included in an authorisation application in accordance with the procedures described” in Article 2-1 of this instruction. The AIF management company must provide the AMF with the documents referred to in Article 2-1 of this instruction within the 60-day period stipulated in the last paragraph of point II of the same articles.

Article 3-1 - Authorisation processes for dedicated AIF mentioned in Article L. 214-26-1 of the Monetary and Financial Code

The dedicated AIF mentioned in Article L. 214-26-1 are dedicated to no more than 20 investors or to a category of investors.

The authorisation period is eight weekdays.

The AIF may be open to all subscribers as provided in sub-section 1 of section II of chapter I of this instruction provided that the approval of all the unitholders or shareholders and the prior authorisation of the AMF have been obtained.

Article 4 - Examination of the authorisation application by the AMF

The AMF may request additional information during the review process. The management company or the SICAV may submit this information to the AMF electronically, by post or by fax, indicating the references of the application.

If the AMF asks for further information that requires submission of a supplementary information form, the AMF gives such notification, stipulating that the items requested are to be submitted within sixty days. In this case, the authorisation period is suspended. Failing receipt of the said items within this period, the authorisation application is deemed to be rejected.

The further information required must be submitted with a supplementary information form filled in using the template in Annex VII. The AMF shall acknowledge receipt when it has received all the information requested. The acknowledgement of receipt stipulates the new expiry date of the authorisation period.

The SICAV or the management company is notified of the AMF's decision to grant authorisation.

In the absence of express authorisation, the AIF shall be deemed to be authorised as of the first day following the authorisation period expiry date stipulated in the acknowledgement of receipt of the authorisation application or in the acknowledgement of receipt of the further information requested.

Article 4-1 - Management delegation requirements

The AIF or the management company, when they wish to delegate the management of the AIF, especially the investment management⁹, complies with the applicable provisions.

As regards asset management companies approved in France, these rules are provided for in articles 321-97¹⁰ or 318-62¹¹ of the AMF General Regulation. These asset management companies approved in France must also refer to instruction AMF DOC-2008-03.

Article 4-2 - Self-managed SICAV

In accordance with paragraph III of Article 422-2 of the AMF General Regulation,¹² SICAV not delegating the overall management of their investment must meet all the requirements applying to management companies and meet the obligations applicable to these companies.

They must therefore file an application with the AMF that complies with the programme of activity required for the authorisation of a management company.

Article 4-3 - Statutory auditors

When a SICAV or an FCP is being created, the authorisation application filed with the AMF shall specify the name of the intended statutory auditor, along with the names of the individual(s) responsible for auditing the SICAV or the FCP when the statutory audits must be carried out by a legal entity.

⁹ Or for management companies authorised under Directive 2011/61/EU, the management of risks.

¹⁰ For asset management companies covered by title I quarter of book III of the AMF General Regulation for their AIF management activity.

¹¹ For asset management companies covered by title I bis of book III of the AMF General Regulation for their AIF management activity.

¹² Applicable to funds of alternative funds and professional alternative investment funds by reference to Articles 422-250 and 423-1 of the AMF General Regulation.

At the request of the AMF, the statutory auditor must submit the list of its auditing assignments in collective investments and management companies, along with the dates of appointment and the functions performed, the latest invoiced or provisional budget in the case of a creation, along with its latest total turnover figure.

The management company shall keep the work programme jointly agreed between the auditor and the SICAV or the management company available to the AMF. The programme shall specify the number of hours, broken down by audit tasks and the nature of the activities. It must give due consideration to the special features of the umbrella AIF and master and feeder AIF, where applicable. The provisional auditing fees for these activities must be kept available to the AMF, along with the hourly rate being considered.

Article 5-1 - Fund deposit certificates for FCP or initial capital deposit certificates for SICAV

The management company or the SICAV, where applicable, shall send the AMF the deposit certificate for the funds of the FCP or the deposit certificate for the initial capital of SICAV immediately after the funds are deposited and within one hundred eighty weekdays at the latest after the AIF is authorised.

II. For AIF that are umbrella funds, this certificate shall be sent to the AMF within:

- One hundred eighty weekdays of the date of authorisation of the AIF for at least one of the compartments; and
- Three hundred sixty weekdays of the date of notification of the authorisation for the other compartments if they exist.

III. If the AMF does not receive this document within one hundred eighty weekdays, the AMF declares the authorisation null and void and informs the SICAV or management company to that effect in writing.

IV. Where warranted by specific circumstances, the SICAV or management company may make a reasoned request for an extension of the deadline for depositing the funds beyond one hundred eighty weekdays. This request must reach the AMF by post or online via the extranet of the GECO database in the area reserved for the management company before the date on which the authorisation is to be declared null and void and must state the desired date. If the management company chooses the online procedure, it must attach to its e-mail message a PDF file of the letter requesting the extension and signed by a duly empowered person.

The AMF shall notify the SICAV or the management company of its decision within eight weekdays of receiving the request.

V. The first net asset value of the AIF must be calculated as soon as the funds have been deposited.

Article 5-2 - Submission of the final versions of the KIID and prospectus to the AMF

The SICAV or management company shall send the final versions of the key investor information document (KIID) and the prospectus by e-mail, along with fund rules or the articles of incorporation attached for retail investment funds and funds of alternative funds and the final version of the prospectus for professional alternative investment funds, in accordance with the requirements set out in Annex XVII of this instruction. For dedicated AIF that have chosen not to draw up a KIID, only the prospectus is to be sent.

Section II - Changes (subject to pre-approval / ex-post notification) during the life of an AIF and procedures for notifying subscribers

Article 6 - Changes

According to Article 422-16 of the AMF General Regulation applicable to retail investment funds¹³:
“Two types of modifications can occur in the life of [an AIF] (...):

- 1° Changes subject to pre-approval;
- 2° Changes subject to ex-post notification.”

Changes shall only take effect, depending on the circumstances, once the depositary has been informed or given its consent, and the AMF has been notified or granted its approval. Some changes must be posted to the AMF data bank (GECO).

When changes subject to pre-approval also involve changes subject to ex-post notification, the latter shall still be governed by sub-section 3 of this section.

If a change should occur that is not covered by this instruction, the management company shall contact the AMF beforehand to determine the appropriate way of dealing with it.

Article 6-1 - Streamlined formalities

Where warranted by specific circumstances, the AMF may authorise the management company or SICAV to streamline some of the formalities stipulated in this section.

Article 6-2 - Administrative management of “Multiple changes”

A “multiple” change is when the same change is made simultaneously to more than twenty AIFs.

I. Changes subject to pre-approval

In the case of “multiple” changes subject to pre-approval, the AMF updates the corresponding data in the GECO database (in accordance with Annex IX). However, the procedures for preparing an authorisation application defined in sub-section 2 of this section may be adapted.

II. Changes subject to ex-post notification

Any request for “multiple” changes subject to ex-post notification must specify the following:

- 1° The nature of the change;
- 2° The complete list of AIF concerned, including their names and the ISIN code for each of their unit or share classes;
- 3° The date on which the change is to take place, which may not be less than eight (8) weekdays after the date on which the AMF receives the written request.

When a request made under the terms of this Article is incomplete or non-compliant with the regulations in force, the AMF shall notify the management company to this effect in writing, indicating the reasons for the rejection of the request:

- missing or incomplete documents;
- failure to comply with regulations in force.

Sub-section 1 - Types of changes in the life of an AIF

Article 7 - General provisions

Articles 8 to 11 of this instruction list the changes to an AIF that qualify as changes subject to pre-approval or subject to ex-post notification, depending on the circumstances.

¹³ Applicable to funds of alternative funds and professional alternative investment funds by reference to Articles 422-250 and 423-1 of the AMF General Regulation.

The table in Article 8 lists the obligations of management companies or SICAV with regard to authorisation and notification of AIF subscribers, depending on the changes made to the AIF.

The “authorisation” column shows whether the change in question requires the authorisation of the AMF. Changes that do not require authorisation may simply be notified to the AMF via the GECCO extranet of the management company by the day when the change takes effect at the latest.

The “Individual notification” and “Notification by any means”¹⁴ columns show the procedures for notifying unitholders or shareholders of each change.

Individual notification of unitholders and the possibility to exit the fund free of charge are not required when all the unitholders or shareholders have given their prior consent to the change being considered. Any changes that do not require the authorisation of the AMF and/or do not require individual notification may be notified to investors by any means.

In the latter case, the words “ex-post” show whether the notification of the change to unitholders or shareholders may be given after it takes effect. If there is no such indication, notification must be served to unitholders or shareholders before the change takes effect and within a reasonable timeframe.

The “exit free of charge” column shows whether unitholders or shareholders must be offered the possibility of exiting the fund free of charge.

Article 8 - Summary table of changes to the key investor information document (KIID) and/or prospectus of an AIF, notification of investors and exit free of charge

Changes	Authorisation	Individual notification	Exit free of charge	Notification by any means
Key investor information document				
Compliance	x Conversion of a UCITS into an AIF is not authorised			
ISIN code		x		
Name of the AIF				x
Management company	x	x (outside group or inside group with change of nationality)	x (outside group or inside group with change of nationality)	x (inside group without change of nationality)
<i>Objectives and investment policy</i>				

¹⁴ The methods of publication are detailed in sub-section 4 of section II of chapter I

Changes	Authorisation	Individual notification	Exit free of charge	Notification by any means
- Management objective and investment policy	x See Art. 11	x if the absolute change in exposure to one or more types of risk exceeds 20% of net assets	x if the absolute change in exposure to one or more types of risk exceeds 20% of net assets	x if the absolute change in exposure to one or more types of risk is less than or equal to 20% of net assets
- Benchmark				x
- Other information: recommended holding period				x
- Distribution procedures: allocation of net income and realised net gains		x	x	x Only for AIF wishing to explain their distribution procedures
Risk/reward profile	x See Art 11	x if the absolute change in exposure to one or more types of risk exceeds 20% of net assets	x if the absolute change in exposure to one or more types of risk exceeds 20% of net assets	x if the absolute change in exposure to one or more types of risk exceeds 20% of net assets
Consideration of non-financial criteria in the management method, by way of derogation from Article 11 § 1 ¹⁵		x		
Change of UCITS or master AIF	x	x	x	
Redemption fee (including any antidilution levy)		x if increased	x if increased	

¹⁵ For consideration of non-financial criteria in the management method, the form in Annex XVIII must be filled out. When the introduction of the consideration of non-financial criteria does not only affect the management method applied (e.g. security selection policy), the effect of the changes that are made must be assessed in light of the criteria referred to in Article 11 and notably the change to the risk and reward profile. In this respect, the consideration of non-financial criteria may be subject to authorisation by the AMF in the event of a change to the risk scale level. The procedures for changes subject to pre-approval, as described in this Instruction, shall then apply, in particular on individual notification with the possibility of an exit from the fund free of charge, etc. On this point, it is the responsibility of the management companies to determine the extent to which the introduction of the consideration of non-financial criteria affects the risk profile e.g. impact of any sector bias or of a change in management style, etc.).

Changes	Authorisation	Individual notification	Exit free of charge	Notification by any means
Subscription fee (including any antidilution levy)				x only if increased <i>Ex post</i>
Performance fee (takes effect one month after unitholders or shareholders were informed in the event of an increase)		x if increased (where the prospectus indicates a maximum portion of the performance that may be charged: only if this portion increases)	x if increased (where the prospectus indicates a maximum portion of the performance that may be charged: only if this portion increases)	x if decreased <i>Ex post</i>
<i>Practical information</i>				
- Where to find information about the AIF				x
- Where to find the net asset value				x
- Where to find information about unit or share classes				x
- Depositary	x	x (outside group)	x (outside group)	x (inside group)
- Taxation (except if new regulations enter into force immediately)		x If the investment is no longer eligible for tax breaks (PEA, etc.)	x If the investment is no longer eligible for tax breaks (PEA, etc.)	
Prospectus				

Changes	Authorisation	Individual notification	Exit free of charge	Notification by any means
- Classification, where applicable, ¹⁶ (except MMF classifications) ¹⁷ or investment objective and strategy	x See Art. 11	x if the absolute change in exposure to one or more types of risk exceeds 20% of net assets	x if the absolute change in exposure to one or more types of risk exceeds 20% of net assets	x if the absolute change in exposure to one or more types of risk is less than or equal to 20% of net assets
- Abandoning of classification ¹⁸ (except MMF classifications) ¹⁹				x
- Institution designated to receive subscriptions/redemptions		x Only if deleted		x <i>Ex post</i>
- Statutory auditor	x if not known to AMF staff			x <i>Ex post</i>
- Delegation of investment management	Commitment of the management company to verify compliance with its programme of activity	x Delegation to a company outside the group of more than 50% of the AIF's net assets	x Delegation to a company outside the group of more than 50% of the AIF's net assets	x Delegation to a company outside the group of less than 50% of the AIF's net assets or delegation to a company in the same corporate group
- Administrative and accounting delegation	Commitment of the management company to verify compliance with its programme of activity			
- Prime broker	x	x	x	

¹⁶ With the exception of the classifications referred to in Articles 30-7 and 30-9 of this instruction, the fund classifications, as provided for in Article 30, are only applicable for the AIF that have chosen to retain them.

¹⁷ The MMF classifications are subject to the rules set out in Article 8-1 of this Instruction.

¹⁸ In accordance with Article 30 of this instruction, the classifications referred to in Articles 30-7 (money market funds) and 30-9 (formula funds) cannot be abandoned on a decision by the AIF.

¹⁹ The MMF classifications are subject to the rules set out in Article 8-1 of this Instruction.

Changes	Authorisation	Individual notification	Exit free of charge	Notification by any means
- Guarantor	x	x (outside group)	x (outside group)	x (inside group)
- Lapse of the guarantee on the expiry date stipulated in the prospectus				x
- Guarantee or protection (solely in the interest of the unitholders or shareholders)	x	x		
- Change in the holding threshold of French collective investments, UCITS incorporated under foreign law, AIF established in another Member State of the European Union or investment funds incorporated under foreign law				x
- Minimum initial subscription amount	See Art. 10			x <i>Ex post</i>
- Introduction of a subscription notice period or modification of an existing subscription notice period/Reduction of an existing redemption notice period				x
- Introduction of a redemption notice period or increase in an existing redemption notice period		x	x	
- Option to trigger the closing or reopening of subscriptions				x
Introduction of a swing pricing mechanism				x

Changes	Authorisation	Individual notification	Exit free of charge	Notification by any means
Increase in charges		<p>X</p> <p>If items: - 1+2*+ 3: - or 4: - or 5 are increased (see prospectus table)</p> <p>The increase takes effect one month after unitholders or shareholders were informed</p> <p>*if item 2 is increased by more than 10 basis points per calendar year (except for money market or short-term money market AIF)</p> <p>**if increased or, where applicable, the maximum portion of performance that may be charged is increased</p>	<p>X</p> <p>If items: - 1+2*+ 3: - or 4: - or 5 are increased (see prospectus table)</p> <p>*if item 2 is increased by more than 10 basis points per calendar year (except for money market or short-term money market AIF)</p> <p>**if increased or, where applicable, the maximum portion of performance that may be charged is increased</p>	<p>X</p> <p>If item 2 is increased by 10 or up to 10 basis points per calendar year (except for money market or short-term money market AIF), on the condition that this is expressly detailed in the prospectus</p>
- Order centralisation (time and day)				X
- Decrease in frequency of the net asset value (subject to the case mentioned in point 3° in paragraph I of Article 10)		X	X	
- Increase in the number of days between the centralisation date and the settlement date		X	X	
- Distribution frequency				X
- Base currency of a class of units or shares		X	X	

Changes	Authorisation	Individual notification	Exit free of charge	Notification by any means
- Creation / elimination of a unit or share class (C, D or others if there are no unitholders or shareholders in the eliminated unit or share class)	See Art. 10			x <i>Ex post</i>
- Winding-up of a class of units or shares ²⁰	x	x Only to holders of the relevant unit or share class		x <i>Ex post</i> only for holders of other unit or share classes that are not concerned
- Grouping of unit or share classes		x Only to holders of the relevant unit or share class (units set to disappear)		x <i>Ex post</i> only for holders of other unit or share classes that are not concerned
- Division of a class of units or shares, decimalisation				x
- Standard investor profile	See Art. 10			x <i>Ex post</i>
- Accounting period				x

²⁰ Except in case of winding-up of an AIF following redemption of the units or shares at the initiative of the unitholders or shareholders (see Article 18-2 of this instruction).

Changes	Authorisation	Individual notification	Exit free of charge	Notification by any means
- Establishment or modification of the contract mentioned in paragraphs III ²¹ or IV ²² of Article L. 214-24-10 of the Monetary and Financial Code and Article 323-35 of the AMF General Regulation (not applicable to retail investment funds open to retail investors)	x	x	x	
- Gates	x	x	x	
Admission to trading				x
Termination of admission to trading		x		

Any modification of the legal structure of the AIF (conversion of a retail investment fund into a professional alternative investment fund/professional specialised investment fund/fund of alternative funds or vice versa, conversion of an AIF into a feeder fund, conversion of an AIF into an umbrella AIF or vice versa, etc.) is a change subject to pre-approval.

Transactions to wind up an AIF at the initiative of the management company are also changes subject to pre-approval.

The treatment of changes that are specific to money market funds is set out in Articles 8-1 and 8-2 of this Instruction.

In accordance with Article 6 of this instruction, if the change that is being considered, for example an amendment of the fund rules or articles of incorporation, is not covered by Article 8 of this instruction, the management company shall contact the AMF beforehand to determine the appropriate way of handling it.

Article 8-1 Specific provisions for money market funds.

²¹In accordance with paragraph III of Article L. 214-24-10 of the Monetary and Financial Code, the depositary is exempt from its responsibility in respect of the AIF or in respect of the unitholders or shareholders in the event of loss by the depositary, or by a third party to which custody has been delegated, of the financial instruments under custody in accordance with paragraph II of Article L. 214-24-8, if it is able to prove that:

1° All obligations concerning the delegation of its custody tasks mentioned in Article L. 214-24-9 are fulfilled;

2° A written contract between the depositary and the third party expressly transfers the depositary's liability to this third party and allows the AIF or its management company to file a complaint against the third party about the loss of financial instruments or to the depositary to file a complaint in their name;

3° A written contract between the depositary and the AIF or the management company expressly authorises a discharge of the depositary's liability and establishes the objective reason justifying such a discharge.

²² Paragraph IV of Article L. 214-24-10 of the Monetary and Financial Code refers to the case in which the depositary may discharge its liability when the legislation of a third country requires that certain financial instruments be retained by a local entity and that no local entity meets the requirements relating to the delegation as they are defined in the second paragraph of Article L. 214-24-9 of the Monetary and Financial Code.

The table below presents the changes that are likely to occur during the lifetime of a money market fund or of a fund wishing to become a money market fund, **without prejudice** to the application of the provisions of Article 8.

Specific changes linked to MMF authorisation				
Changes	MMF authorisation	Individual notification	Exit free of charge	Notification by any means
Obtain MMF authorisation for an existing fund	X			X
Change of type (e.g. from CNAV to VNAV) ²³	X	X	X	
Exit from the scope of the MMF Regulation	X	X	X	

N.B.:

- Where the change that is made requires both MMF authorisation under the terms of this article and pre-approval under the terms of Article 8, the fund must file the application to change the AIF and the MMF authorisation application in a single file in the GECO database. This single file will be processed in accordance with the procedures set out in Articles 14 and 15 of this Instruction.
- For an exit from the scope of the MMF Regulation, the abandonment of the authorisation is notified to the AMF. The individual notification obligation with the possibility of an exit free of charge allows investors to identify that the fund no longer has AMF authorisation;
- For a fund already authorised as an MMF, a change from short-term to standard or vice-versa without a change of type (e.g. from short-term VNAV to standard VNAV), does not require authorization under the terms of the MMF Regulation and is assessed on the basis of Article 8.

Article 8-2. Specific regime under Article 17 (7) of the MMF Regulation – investment of fund assets in money market instruments issued or guaranteed by an issuer of public debt

In accordance with the provisions of Article 17 (7) of the MMF Regulation, a money market fund may invest up to 100% of its assets in securities issued by the same issuer of public debt, provided that the issues are diversified, investors are informed and authorization is delivered by the competent authority for the fund.

The AMF authorises money market funds to make use of this derogation provided that they apply the conditions referred to in Article 17 (7) of the MMF Regulation.

In practice, the AMF is likely to examine any use of the Article 17 derogation in two hypotheses:

- **At the money market fund authorisation stage:** the money market fund indicates its intention to make use of the Article 17 (7) derogation in its authorisation application (see Article 2.3);
- **During the life of the money market fund:** use of the Article 17 (7) derogation is deemed to be a change of investment policy on the terms set out in Article 11 of this Instruction.

²³ By the terms of Article 3(2) of Regulation (EU) 2017/1131, a new MMF authorisation must be delivered. Automatic transformations of CNAV and LVNAV funds into VNAV funds in the event of extended suspensions of redemptions (see Article 34(2) of Regulation (EU) 2017/1131) do not require a new MMF authorisation.

Article 9 - Changes affecting the parties

I. Change of the management company of the AIF

Any change affecting the appointment of the management company of the AIF constitutes a change to the AIF subject to pre-approval. The AMF grants authorisation for such changes, as appropriate, when the management company's programme of activity is updated.

II. Change of the depositary institution of the AIF

Any change affecting the appointment of the depositary institution for the assets of the AIF constitutes a change to the AIF subject to pre-approval. The AMF grants authorisation for such changes, as appropriate, when the asset management company's programme of activity is updated.

In any event, the AIF must be able to prove the effective appointment of a depositary institution for its assets at all times.

The establishment of an agreement mentioned to in paragraphs III or IV of Article L. 214-24-10 of the Monetary and Financial Code or the modification of the terms of such an agreement is a change to the AIF subject to pre-approval.

III. - Change in the AIF's prime broker

Any change in the prime broker or any change of the critical terms of the contract constitutes a change to the AIF subject to pre-approval.

IV. - Delegation of the administrative and/or accounting management of the AIF

Where the asset management company is authorised in France, the delegation of the administrative and/or accounting management of the AIF may take place only under the conditions mentioned, depending on the case, in Article 321-97²⁴ or Article 318-62²⁵ of the AMF General Regulation. The central administration of the AIF must be located in France.

The management company's programme of activity must describe the administrative and/or accounting management organisation of the AIF under its management and specify the extent to which the administrative and accounting management is delegated.

Without prejudice to the obligation for the management company authorised in accordance with Directive 2011/61/EU to provide explanations to its competent authority for the delegation,²⁶ when they are the result of an express request from all the unitholders or shareholders of a dedicated AIF, the requirements relating to the designation or the change of a delegated administrative and/or accounting manager of the AIF cannot be described in the programme of activity of the asset management company.

V. – Delegation of the investment management of the AIF

²⁴ For asset management companies covered by title I of book III of the AMF General Regulation for their AIF management activity.

²⁵ For asset management companies covered by title I bis of book III of the AMF General Regulation for their AIF management activity.

²⁶ Article 76 of Commission Delegated Regulation (EU) 231/2013 of 19 December 2012.

An asset management company authorised in France may delegate the investment management of an AIF subject to the requirements referred to, depending on the case, in Article 321-97²⁷ or Article 318-62²⁸ of the AMF General Regulation and in Article 4-1 of this instruction.

Any change affecting the appointment of the delegated investment manager of the AIF constitutes a change subject to ex-post notification. Delegation of investment management must be consistent with the programme of activity of the asset management company. In particular, any plan to sub-delegate investment management requires the explicit approval of the AMF as part of the programme of activity of the asset management company authorised in France, before being implemented in the AIF.

The AIF shall notify the AMF using the form in Annex VIII to this instruction of any change affecting a delegated or sub-delegated investment manager.

When a SICAV delegates all the management of its portfolio to a management company, any change relating to the appointment of the delegated management company constitutes a change to the SICAV subject to pre-approval and is subject to the requirements referred to in I. above. The asset management company authorised in France to which the AIF's overall management is delegated may itself delegate the AIF's investment management under the same conditions as those provided for in the first and second paragraph of point V of this Article.

VI. - Statutory auditor of the AIF

The appointment of a statutory auditor by the AIF shall be deemed to have the AMF's approval if the appointment of the auditor has already been approved by the AMF as part of the creation of another AIF or UCITS authorised by the AMF.

Article 10 - Relaxation of subscription requirements of an AIF and/or change relating to the structure of the AIF

I. Any change relating to the operation and the subscription requirements of the AIF is a change subject to pre-approval where it pertains to:

1° A material easing of the subscription and acquisition requirements for units or shares in the AIF. Such is the case when the minimum initial subscription amount of the AIF is reduced substantially or when a new unit or share class is created with a substantially lower minimum subscription amount than the existing classes.

A material easing of the subscription and acquisition requirements for units or shares in the AIF occurs whenever the €100,000 threshold is crossed downwards, which is to say:

- If new categories of units or shares are created with a minimum initial subscription of less than €100,000, whereas the existing categories of units or shares had a minimum subscription greater than or equal to €100,000
- If the minimum subscription amount for the existing units is lowered in such proportions (i.e. from a level greater than or equal to €100,000 to a level below €100,000)

2° The addition of a statement concerning the AIF's compliance with the rules of investment and disclosure of Directive 2009/65/EC;

3° A change in frequency of publication of the net asset value of a retail investment fund to less than two times per month;

²⁷ For asset management companies covered by title I quater of book III of the AMF General Regulation for their AIF management activity.

²⁸ For asset management companies covered by title I bis of book III of the AMF General Regulation for their AIF management activity.

4° The conversion of a dedicated AIF into an AIF open to all subscribers;

5° The conversion of an AIF into a professional specialised investment fund; this change requires the prior approval of all the unitholders or shareholders of the AIF, who must meet the new subscription and acquisition criteria applicable to professional specialised investment funds;

6° The conversion of a professional specialised investment fund or a streamlined UCITS into a retail investment fund, fund of alternative funds or professional alternative investment fund (in this regard, streamlined UCITS must be converted into another vehicle before 22 July 2014 under the requirements of paragraph II of Article 34 of ordinance 2013-676 of 25 July 2013 modifying the legal framework for asset management);

7° The conversion of an FCIMT into a fund open to professional investors or into a UCITS or AIF open to retail investors (this conversion must take place, under the requirements of paragraph I of Article 34 of ordinance 2013-676 of 25 July 2013 modifying the legal framework for asset management, before 22 July 2014).

II. Any change relating to the structure of an AIF is a change subject to pre-approval where the change relates to at least one of the following conversions:

1° The conversion of an AIF covered by Articles R. 214-183 to R. 214-193 of the Monetary and Financial Code (fund of alternative funds and professional alternative investment fund) into an AIF not covered by Articles R. 214-183 to R. 214-193 of the Monetary and Financial Code;

2° The conversion of an AIF covered by Articles R. 214-187 to R. 214-193 of the Monetary and Financial Code (professional alternative investment fund) into an AIF covered by Articles R. 214-183 to R. 214-186 of the Monetary and Financial Code (fund of alternative funds);

3° The conversion of a retail investment fund into an AIF covered by Articles R. 214-183 to R. 214-193 of the Monetary and Financial Code (fund of alternative funds and professional alternative investment fund);

4° The conversion of an AIF covered by Articles R. 214-183 to R. 214-186 of the Monetary and Financial Code (fund of alternative funds) into an AIF covered by Articles R. 214-187 to R. 214-193 of the Monetary and Financial Code (fund of alternative funds);

The changes subject to pre-approval referred to in points 3 and 4 above require the approval of all the unitholders or shareholders of the AIF, who must, where applicable, meet the new subscription and acquisition criteria applicable to the AIF, as it results from the conversion.

Moreover, as specified in Article 3-1 of this instruction, the dedicated AIF mentioned in Article L. 214-26-1 may be open to all subscribers subject to obtaining the approval of all the unitholders or shareholders and the prior approval of the AMF.

Article 11 - Change in the AIF investment policy

Any change affecting the investment strategy is a change subject to pre-approval if it concerns:

1° The management method used by the AIF;

For example, a change in the methods for picking financial instruments shall be deemed to be a change to the AIF subject to pre-approval. On the other hand, a change in the benchmark sector does not require pre-approval as a change to the AIF.

2° The risk and reward profile of the AIF;

A change of the risk and reward profile shall be assessed on the extent of the change in exposure to one or more types of risk, and the change in the synthetic risk indicator (SRRI).

	SRRI unchanged	SRRI that moves by one box	SRRI that moves two or more boxes
Change in exposure to one or more types of risk between [0% and 80%] (absolute value)	simple change	simple change	change requiring pre-approval
Change in exposure to one or more types of risk between [80% and 120%] (absolute value)	simple change	change requiring pre-approval	change requiring pre-approval
Change in exposure to one or more types of risk greater than or equal to 120% (absolute value)	change requiring pre-approval	change requiring pre-approval	change requiring pre-approval

Example of a change requiring pre-approval

If the fund strategy changes as follows and the SRRI is modified further to these changes.

	Before	After	Change in exposure to each type of risk
Bonds of companies based in OECD countries (excluding emerging economies)	[10% ; 70%]	[0% ; 50%]	Lower limit: -10 = 10 in absolute value Upper limit: -20 = 20 in absolute value <u>Overall:</u> Maximum (10 ; 20) = 20
Speculative securities	[0% ; 30%]	[0% ; 30%]	0 (range of exposure unchanged)
OECD large-cap equities	[0% ; 70%]	[0% ; 100%]	Lower limit: 0 (unchanged) Upper limit: +30 = 30 in absolute value <u>Overall:</u> Maximum (0 ; 30) = 30
Small- and mid-cap equities	0%	[0% ; 30%]	Lower limit: 0 (unchanged) Upper limit: +30 = 30 in absolute value <u>Overall:</u> Maximum (0 ; 30) = 30
Securities from emerging economies	0%	[0% ; 30%]	Lower limit: 0 (unchanged) Upper limit: +30 = 30 in absolute value <u>Overall:</u> Maximum (0 ; 30) = 30
Foreign exchange risk	[0% ; 50%]	[0% ; 100%]	Lower limit: 0 (unchanged) Upper limit: +50 = 50 in absolute value <u>Overall:</u> Maximum (0 ; 50) = 50
			Total : 160

This is considered a change requiring prior approval as the sum equals 160 (> 80).

Example of a simple change

If the fund strategy changes as follows, it takes non-financial criteria into consideration (when such was not the case previously), and the SRRI is not modified further to these changes:

	Before	After	Change in exposure to each type of risk
French "Investment Grade" bonds	[0% ; 50%]	[0% ; 40%]	Lower limit: 0 (unchanged) Upper limit: -10 = 10 in absolute value <u>Overall:</u> Maximum (0 ; 10) = 10
French equities (all caps)	[0% ; 50%]	[0% ; 60%]	Lower limit: 0 (unchanged) Upper limit: +10 = 10 in absolute value <u>Overall:</u> Maximum (0 ; 10) = 10
French speculative bonds	0%	[0% ; 5%]	Lower limit: 0 (unchanged) Upper limit: +5 = 5 in absolute value <u>Overall:</u> Maximum (0 ; 5) = 5
			Total: 25

This is not considered a change requiring prior approval because the sum equals 25 (< 120).

In addition, if no other significant biases are induced, the sole consideration of non-financial criteria in the management method of a fund is not subject to prior approval by the AMF.

3° The guarantee of the AIF.

Article 11-1: Option to close or reopen subscriptions

The AIF provides for the option of partially or fully closing subscriptions in its fund rules or articles of incorporation as of its creation. For existing funds, the fund rules or articles of incorporation provide for this option at the next update of the fund's regulatory documentation, and no later than 30 June 2019, without this amendment being subject to authorisation.

Existing unitholders shall be informed by any means of the triggering of this tool, as well as of the threshold and the objective situation that enabled the partial or full closing to be triggered. In the case of partial closing, this information by any means will explicitly specify the terms under which existing unitholders may subscribe following the closing. For example, setting a cap on subscriptions for each net asset value may be considered.

The reopening of subscriptions is an option on falling below the triggering threshold, but not mandatory. The modification in the objective situation invoked or the triggering threshold of the tool is the responsibility of the asset management company and must always be carried out in the interest of the unitholders. The exact reasons for these modifications must be explained to unitholders in the information by any means.

The removal of the tool, or the absence of the removal of the tool motivated by a change of threshold or objective situation, in the event of falling below the threshold mentioned in the most recent information by any means, must also be the object of information by any means.

Article 12 - Notification and/or consent of the depositary and statutory auditor

I. Any change to an AIF subject to pre-approval must obtain the unqualified consent of the depositary before the authorisation application is filed with the AMF.

II. Any change to an AIF is subject to the prior notification and consent of the depositary before it is implemented in accordance with the terms of the agreement between the management company of the AIF and its depositary. The management company must keep the notification or consent of the depositary available to the AMF.

III. The statutory auditor of the AIF must be informed of all changes subject to pre-approval or ex-post notification.

Sub-section 2 – Changes subject to pre-approval

Authorisation process and period for changes to an AIF subject to pre-approval

Step	FCP or SICAV management company	Autorité des Marchés Financiers (AMF)
1	Files an authorisation application for a change subject to pre-approval	
2		Checks compliance of the application Sends an acknowledgement of receipt of the application by the AMF, specifying the authorisation period expiry date or returns the application with an explanation of the reasons for its rejection
3		Examines the application May contact the applicant
4		Where applicable, requests further information, which may or may not require the management company to submit a supplementary information form
4 bis	Where applicable, files a supplementary information form and the requested information within 60 days of the request	
4 ter		Receives the supplementary information form and requested information Sends an acknowledgement of receipt specifying the new authorisation period expiry date
5		Provides notification of the decision to grant or refuse authorisation or implicit authorisation decision
6	Notifies unitholders or shareholders individually, via the press or by any other means, depending on the circumstances	
7		Updates the information in the GECO database
8	Sends the final key investor information document (KIID), where applicable, and prospectus in accordance with the procedures stipulated in Annex XVII	

Authorisation periods

Type of transactions	Period of time
Change subject to pre-approval (modification & winding-up)	8 weekdays
Change to a feeder AIF subject to pre-approval	15 business days (or approx. 13 weekdays)
Mergers & Spin-offs	20 business days (or approx. 17 weekdays)

Article 13 - Filing the authorisation application

I. - All applications for changes subject to pre-approval must be filed with the AMF and include:

1° Two copies – only one copy if the application is filed online – of the duly completed authorisation form in Annex VI. Each section must be filled in, and the sections affected by the change subject to pre-approval must be clearly identified.

2° The attachments referred to in Annex VI, along with any other document that the asset management company deems necessary for the examination of the application.

If the change subject to pre-approval is identical for more than one AIF, the AMF may allow the authorisation applications to be grouped together at the request of the management company or the SICAV.

The application may be filed with the AMF online through the extranet of the GECO database in the area reserved for the management company.

II. The merger of two AIF or the acquisition of an AIF by a UCITS is a change subject to the AMF's pre-approval (see Annex VI).

Article 14 - Registration by the AMF of the application for a change subject to pre-approval

When the authorisation application for a change subject to pre-approval is received, the AMF registers the application. An acknowledgement of receipt of the application is sent to the SICAV or the management company.

This document officially certifies that the application has been filed with the AMF.

If the application filed is incomplete or non-compliant, it is returned to the applicant. In this case, the reason(s) for its rejection is/are explained.

There are two types of reasons for returning the file:

1° Missing documents;

2° Documents are incomplete or do not comply with the laws and regulations in force.

Where the application for authorisation of a change subject to pre-approval requires the AIF to apply for an authorisation under the MMF Regulation, the change authorisation application is only considered complete once the MMF Regulation authorisation has been delivered.

Article 15 - Examination of the application for a change subject to pre-approval by the AMF

The AMF may request additional information during the review process. The management company or the SICAV may submit this information to the AMF electronically, by post or by fax, indicating the references to the application.

If the AMF asks for further information that requires submission of a supplementary information form, the AMF gives such notification, stipulating that the items requested are to be submitted within sixty days. In this case, the authorisation period is suspended. Failing receipt of the said items within this period, the authorisation application is deemed to be rejected. The further information required must be submitted with a supplementary information form filled in using the template in Annex VII. The AMF shall acknowledge receipt when it has received all the information requested. The acknowledgement of receipt shall stipulate the new authorisation period expiry date.

The SICAV or the management company is notified in writing of the AMF's decision to grant authorisation.

In the event that authorisation is not explicitly granted, the AIF shall be deemed to be authorised as of the authorisation period expiry date indicated in the acknowledgement of receipt of the authorisation application or in the acknowledgement of receipt of the further information requested.

Article 16 - Completion of the authorisation application by the AMF

Article 16-1 - Submission of the final versions of the key investor information document (KIID) and prospectus to the AMF

The SICAV or management company shall send the key investor information document (KIID) and the prospectus by e-mail, along with the final version of the fund rules or the articles of incorporation for retail investment funds and funds of alternative funds and the final version of the prospectus for professional alternative investment funds, in accordance with the requirements set out in Annex XVII of this instruction. For dedicated AIF having chosen not to draw up a KIID, only the prospectus to which the rules or the articles of incorporation are appended is to be transmitted.

The authorisation granted for a change subject to pre-approval is limited to that change. It does not constitute authorisation for any other items in the KIID and/or the prospectus that the management company may have amended at the same time. Any amended items subject to a simple reporting procedure will be reviewed ex post.

Sub-section 3 - Changes subject to ex-post notification

Article 17 - Notification of changes subject to ex-post notification: Procedures for notifying the AMF and updating the database (GECO)

The SICAV affected by the changes or the management companies must report such changes by updating the GECO database, where applicable, in accordance with the procedures stipulated in Annex XVII and notify the depositary or obtain the depositary's prior consent, depending on the circumstances. The management company or the SICAV is solely responsible for this operation.

Changes may not occur until the new key investor information document (KIID) and prospectus have been filed with the AMF, in accordance with the requirements stipulated in Annex XVII of this instruction and, where applicable, the GECO database has been updated. Some fields of the GECO database must be updated by the AMF on behalf of the management company (fields that are not accessible via the GECO website). Management companies must use the form in Annex VIII to submit the data for these fields to the AMF. For any change entailing consideration or a change of non-financial

criteria in the management of the product, the management company must disclose the characteristics of such consideration by filling out the form provided in Annex XVIII.

Article 17-1 - Special case – Winding up of an AIF following redemption of the units or shares at the initiative of the unitholders or shareholders

If an AIF is wound up as a result of the simultaneous or gradual redemption of all the units of the AIF at the initiative of the unitholders or shareholders, the management company or the SICAV shall notify the AMF within two months of the last redemption date.

This transaction constitutes a “change subject to ex-post notification”.

The statutory auditor’s report may be submitted to the AMF within one month of the end of the calendar half-year period for all wound-up AIF for which declarations were received during the course of that half-year period.

Article 17-2 - Special provisions for spin-offs decided under the terms of the second paragraph of Article 214-24-33 or the second paragraph of Article L. 214-24-41 of the Monetary and Financial Code (side pocket provision)

By way of derogation from Article L. 214-24-48 of the Monetary and Financial Code, a demerger decided upon under the terms of the second paragraph of Article L. 214-24-33 or the second paragraph of Article 214-24-41 of the Monetary and Financial Code, is treated as a change to be reported promptly to the AMF.

Prior to launching a demerger decided on in accordance with the second paragraph of Article L. 214-24-33 or the second paragraph of Article L. 214-24-41 of the Monetary and Financial Code, the management company or, where applicable, the SICAV contacts the AMF.

After contacting the AMF, the management company or, where applicable, the SICAV sends the AMF a file comprising:

- The duly completed form found in Annex XI;
- The attachments referred to in Annex XI, along with any other document that the management company or SICAV deems necessary.

This file includes the notification of the demerger, the application for fast-track authorisation²⁹ for the creation of the new AIF to receive those assets other than those whose disposal would not be in the best interests of the holders or units or shares, and the application for authorisation of the entry into liquidation of the former AIF.³⁰

The file is submitted on-line through the GECO database extranet in the area reserved for the management company.

The notification of the demerger of the initial AIF and delivery of the authorisation for the new AIF do not exempt the latter or its management company from completing the other mandatory formalities for demergers or creations of AIFs (Euroclear formalities, notification of the clerk of the commercial court, notice in the BODACC official journal, etc.).

Pursuant to Article R. 236-2 of the Commercial Code, when the AIF is established in the form of a company, the formalities of filing with the clerk of the commercial court and publication must be

²⁹ Pursuant to paragraph II of Articles 422-7 and 422-11 of the AMF General Regulation.

³⁰ Pursuant to paragraph 2 of Articles L. 214-24-33 and L. 214-24-41 of the Monetary and Financial Code.

completed at least thirty days before the date of the first general meeting convened to rule on the operation.

The statutory auditors' report must be submitted to the AMF when it is drafted.

When the demerged AIF is a master fund, the management company of the feeder AIF submits the application for authorisation under the terms of Article 422-117 of the General Regulation to the AMF, at the same time that the management company of the master AIF submits the notification file for the demerger of said master AIF to the AMF.

Sub-section 4 - Unitholder or shareholder notification when changes are made during the life of AIF and notification of the AMF

Article 18 - Unitholder or shareholder notification

I. Changes likely to occur during the life of an AIF or an AIF compartment requiring notification of unitholders or shareholders are listed in Article 8 of this instruction. These changes must be notified to the unitholders or shareholders so that they can make an informed decision about maintaining their investment or disposing of it.

II. For changes subject to pre-approval, the unitholders and shareholders may only be notified after the authorisation of the AMF has been obtained. Such authorisation is granted on the basis of the proposed notice to unitholders or shareholders, which must be attached to the authorisation application in the case of the changes subject to pre-approval stipulated in Article 8. The SICAV or management company must also submit the final versions of the key investor information document (KIID) and the prospectus of the AIF electronically to the AMF on or before the day on which the change subject to pre-approval takes effect, in accordance with the requirements stipulated in Annex XVII of this instruction.

III. The notification must state whether the change takes effect immediately or later. Subject to the specific time periods provided for in the table of changes in Article 8, immediate effect means 3 weekdays after effective notification of unitholders and shareholders, except in the cases set out in the table below, where the changes may take effect later after effective notification. This is only a minimum, and management companies must assess the reasonableness of the time period, notably in the light of the change made to the AIF.

Nature of the changes / Holder notice period	Minimum number of days between notification of unitholders or shareholders entailing the right to exit the fund free of charge and the effective date of the change	Minimum number of days between notification of the unitholders or shareholders and the end of the offer to exit the fund free of charge
AIF merger	30 calendar days + 5 business days	30 calendar days

Other (subject to specific time periods provided for in the table in Article 8)	Between 3 weekdays and 90 calendar days, depending on the material nature of the planned change, left to the discretion of the management company	30 calendar days This period must be adapted according to the frequency of net asset value calculations and the profile of the unitholders or shareholders
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The management company must work with its distributors to provide a suitable system for notifying future investors in the AIF of upcoming changes during the period between the date when the notification is sent to unitholders or shareholders and the effective date of the changes.

IV. The notification given to unitholders or shareholders makes a clear distinction between changes subject to pre-approval by the AMF and changes that are simply subject to ex-post notification to the AMF.

Article 19 - Notifications

I. Notifications of unitholders or shareholders may take two forms: individual notification of the holders (letter or any other durable medium within the meaning of Article 314-5 of the AMF General Regulation) or notification by any other medium (such as periodic reports). Article 8 of this instruction summarises the notification requirements for the AIF, depending on the nature of the change.

II. The nature of the medium used for notifications must be adapted to the marketing of the AIF and, more specifically, its geographical distribution and the profiles of the unitholders or shareholders. For changes subject to pre-approval, the publication timetable of the communication(s), the media concerned as well as the draft financial notice(s) must be held available to the AMF, which may modify their nature or content, according to the case.

III. As an exception to point I, when the nature of the change requires individual notification of unitholders or shareholders, one possible solution, with the consent of the AMF, may be to publish a financial notice containing all this information in the press.

IV. The notification may be disseminated through any appropriate medium, including a financial notice published in the press or periodic reports. The AIF shall ensure that these media are actually available to their unitholders or shareholders before the announced changes take effect, unless there are provisions to the contrary in Article 8 of this instruction. Paragraphs II and III of Article 18 of this instruction apply in the specific case of notification by means of a financial notice. If the change is to take effect before the medium is disseminated, a personalised letter must be sent or a financial notice must be published.

Article 20 - Supervision by the AMF of changes subject to pre-approval

In the event of a change subject to pre-approval requiring individual notification, the draft notification to unitholders or shareholders must be attached to the authorisation application submitted to the AMF.

Notification of unitholders or shareholders may only take place after the AMF has authorised the change subject to pre-approval. The AMF may authorise the management company or the SICAV to give advance notification.

The authorisation application shall specify the notification method chosen (such as a letter or a document enclosed with a statement of account).

Unless agreed otherwise by the AMF, this notification must comply with the standard template in Annex XII of this instruction.

Article 21 - Special provisions for mergers, winding-up and spin-offs

Mergers between AIFS and demergers constitute changes subject to pre-approval and require individual notification of unit or shareholders with the option of exiting the fund free of charge.

Winding-up of an AIF at the initiative of the management company or the SICAV constitutes a change to the AIF subject to pre-approval and requires individual notification of the unitholders or shareholders.

A spin-off constitutes a change to the AIF subject to pre-approval, except if the spin-off is decided upon under the terms of the second paragraph of Article L. 214-24-33 or the second paragraph of Article 214-24-41 of the Monetary and Financial Code, which is considered a change subject to ex-post notification.

Within the framework of a demerger decided upon under the terms of the second paragraph of Article L. 214-24-33 or the second paragraph of Article L. 214-24-41 of the Monetary and Financial Code, the management company, in accordance with Articles D. 214-32-12 and D. 214-32-15 of the Monetary and Financial Code, informs the holders of units or shares immediately of the transfer of assets and sends them in particular a report justifying the decision and setting out the procedures. This notification is individual and does not open up an entitlement for the holders of units or shares in the demerged AIF to exit free of charge. It may be accompanied by general information (via a news release or information on the management company's website, for example). The documents intended for the notification of the holders of units or shares in the old and the new AIF are also placed at their disposal by the portfolio asset management company, in accordance with Articles D. 214-32-12 and D. 214-32-15 of the Monetary and Financial Code.

Article 21-1 - Individual notification requirements for AIF mergers

I. Prior to the merger, the unitholders or shareholders of the merged AIF must receive individual notification using the standard template presented in Annex XII to this instruction.

II. The notification must include an annex on the ratio of units or shares in the receiving AIF swapped for each unitholder or shareholder's units or shares in the acquiring AIF.

III. Individual notification of the unitholders or shareholders of the acquiring AIF must be made if the merger affects them.

Article 21-2 - Individual notification requirements for changes during the life of dedicated AIF mentioned in Article L. 214-26-1 of the Monetary and Financial Code

The prior approval by all the unitholders or shareholders of the proposed changes may exempt the management company or the SICAV from providing an individual notification or notification by any means.

If the proposed change is subject to pre-approval, the management company or the SICAV may, instead of sending the proposed notification to unitholders or shareholders to the AMF, attach to the authorisation application the list of unitholders or shareholders of the AIF and a letter attesting to the written approval of all the unitholders or shareholders on the proposed change subject to pre-approval. The approval of each of the unitholders or shareholders must be held available to the AMF by the management company or the SICAV.

Article 22 - General principles regarding exits free of charge

Article 22-1 - General principles

The cases in which the option of exiting the fund free of charge must be offered are listed in Article 8.

When an AIF charges a redemption fee, unitholders or shareholders must have the option to exit the fund free of charge during a period lasting from 30 to 90 days after the date on which they are notified of a change, in accordance with the table in Article 18 of this instruction. These redemptions are to be executed in accordance with the procedures stipulated in the prospectus, but with no redemption fee.

If these changes pertain to a compartment, the option of exiting free of charge must be offered to holders of the units or shares in the compartment concerned.

However, when mergers and spin-offs of management companies or changes of management companies occur that involve companies with their registered offices in France or companies belonging to the same corporate group and do not modify the human or technical resources used for management, AIF shall be exempted from the obligation to offer the option of exiting the fund free of charge and of notifying unitholders or shareholders individually. The same holds true for similar operations affecting the depositary.

The option of exiting the fund free of charge must be implemented in such a way that the unitholders or shareholders have a reasonable amount of time to consider the option before the conversion being considered takes effect.

Where the table contained in Article 8 of this instruction requires prior notification of the holders, the effective date of the change to the AIF must be far enough from the date on which the unitholders or shareholders were informed to enable them to exit free of charge before the entry into force of the change, while respecting the notice period for professional alternative investment funds whose prospectus has set an imperative notice period between the redemption order centralisation date and the settlement date of the units or shares by the issuing account keeper on behalf of the fund.

If the management company is wound up, the unitholders or shareholders of the AIF must be notified individually and offered the option of exiting the AIF free of charge.

Article 22-2 - Exercising the right to exit free of charge when the prospectus and KIID of the AIF stipulate redemption fees charged by the AIF

This article defines how the redemption fee charged by the AIF and stipulated in the prospectus must be applied when the AIF is subject to a change entitling holders to exit free of charge.

a) Reminder: the two types of prior situations

The prospectus and the KIID of the AIF do not make provision for any advance notice incentives: the redemption fee charged by the AIF is therefore applied to all redemption requests.

The prospectus and the KIID of the AIF make provision for advance notice incentives: the redemption fee charged by the AIF is applied only to redemption requests that do not comply with the existing advance notice incentive.

Example:

Redemption fee accruing to the AIF: 3% if the redemption order is placed during the 30-day advance notice period; 0% if the redemption order is placed before the advance notice period.

- Holders who place redemption orders 40 days before the reference date (before the notice period) are not charged any redemption fees;

- Holders who place redemption orders 10 days in advance (during the notice period) are charged a redemption fee of 3% by the AIF.

b) Procedures for exercising the right to exit the AIF free of charge.

In the event of a change to the AIF entitling unitholders or shareholders to exit the fund free of charge:

- If the prospectus and the KIID of the AIF make provision for an advance notice incentive, this incentive also applies when the AIF is affected by a change that entitles holders to exit the fund free of charge. However, on such occasions, the management company may decide to reduce or eliminate the notice period stipulated in the prospectus and the KIID, provided that such a decision is made in the interests of the unitholders or shareholders and that it is implemented in such a way that it ensures fair treatment between unitholders or shareholders who choose to exit the AIF and those remaining in the AIF.

- If the prospectus and the KIID of the AIF do not make provision for an advance notice incentive, the management company must uphold the right of unitholders or shareholders to exit the AIF free of charge and take measures to ensure fair treatment between unitholders or shareholders who choose to exit the AIF and those remaining in the AIF. For example, the management company may set an advance notice period before which the AIF does not charge redemption fees, or it may reimburse unitholders or shareholders taking up the option of exiting the AIF free of charge for any redemption fees charged by the AIF.

In any event, when the AIF has stipulated an advance notice period between the redemption order centralisation date and the settlement date, the existence of this notice period must not effectively reduce the three-month period during which unitholders or shareholders may apply to redeem their units or shares free of charge. Furthermore, where the table in Article 8 requires prior notification of unitholders or shareholders, the date on which unitholders or shareholders are notified must be far enough in advance of the date on which the change to the AIF takes effect to allow them to exit the fund free of charge before the change takes effect and to comply with the notice period required for the incentive.

Article 23 - Notification of the AMF following notification of unitholders or shareholders

Whenever unitholders or shareholders of an AIF are served individual notifications or notification by any means for the purposes of this instruction, the management company or SICAV shall submit a copy of the notification to the AMF through the GECO database. In the event of ex-post notifications, the management company or SICAV merely updates the GECO database with the nature of the notification, the medium used and the place where the information is available.

CHAPTER II - PREPARING THE KEY INVESTOR INFORMATION DOCUMENT (KIID), THE PROSPECTUS AND PERIODIC REPORTING

Section I - Key investor information document (KIID) and prospectus of an AIF

Article 24 - General provisions

Case of retail investment funds and funds of alternative funds

A key investor information document (KIID) and a prospectus must be drawn up for each AIF.

If an AIF is made up of several compartments, a key investor information document (KIID) must be prepared for each of its compartments and a single prospectus for all the compartments.

If an AIF is made up of several unit or share classes, a key investor information document must be produced for each of them. However, the management company may provide information about

several unit or share classes in the same key investor information document, provided that the final document satisfies the requirements regarding language, length and presentation stipulated in Articles 5 and 6 of European Commission Regulation 583/2010 of 1 July 2010.

Case of dedicated AIF

Pursuant to paragraph III of Article 422-94 of the AMF General Regulation,³¹ AIF reserving subscription or acquisition of their units or shares to no more than twenty investors or to a category of investors whose characteristics are precisely defined by the prospectus can only establish a prospectus provided that they have obtained the unanimous approval of their direct or indirect holders. As from the entry into force of European Parliament and Council Regulation (EU) No. 1286/2014 of 26 November 2014, this possibility will remain as long as the units or shares in retail investment funds cannot be subscribed for or bought by non-professional clients.

Case of professional alternative investment funds

A prospectus must be prepared for each professional alternative investment fund. However, professional alternative investment funds are not subject to the obligation to establish a key investor information document (KIID).

Professional alternative investment funds may, however, be led to produce a key investor information document, in accordance with European Parliament and Council Regulation (EU) No. 1286/2014 of 26 November 2014 (the "PRIIPS regulation").

The summary table below presents the obligations of professional alternative investment funds with regard to the producing of key investor information documents:

AIF in question (already in existence or created after the entry into force of the PRIIPS regulation)	Situation with regard to the type of client in question	Prior to the entry into force of the PRIIPS regulation	As from the entry into force of the PRIIPS regulation
Professional alternative investment fund	According to the regulatory documents only professional clients ³² can subscribe for or buy units or shares	The professional alternative investment fund does not have to produce a KIID	The professional alternative investment fund does not have to produce a KIID
	The regulatory documents do not include a restriction of this kind ³³	The production of a KIID is optional The professional alternative investment fund may choose whether or not to produce a KIID	The production of a KIID becomes mandatory The professional alternative investment fund produces a KIID in accordance with regulation (EU) 583/2010

³¹ Applicable to funds of alternative funds and professional alternative investment funds by reference to Articles 422-250 and 423-1 of the AMF General Regulation.

³² As defined by Article L.533-16 of the French Monetary and Financial Code.

³³ Unit or shares in the AIF may in this case be subscribed for or bought by a (non-professional) retail investor, for example through the minimum initial subscription amount of €100,000.

		OR	OR
		The professional alternative investment fund may choose to produce a KIID in accordance with regulation (EU) 583/2010	The professional alternative investment fund produces a KIID in accordance with regulation (EU) 1286/2014

The production of a KIID (in regulation (EU) No. 583/2010 or PRIIPS regulation format) by an already approved professional alternative investment fund does not constitute a change in status and does not result in the granting of an approval. The KIID must nevertheless be filed through the GECO database. The AMF may review KIID already filed in the GECO database *ex post*. On the other hand, the KIID of professional alternative investment funds whose approval is in progress are reviewed by the AMF as part of the fund approval process.

Article 25 - Structure of the key investor information document (KIID) and prospectus

I. Key Investor Information Document (KIID)

The key investor information document (KIID) is a summary that shall not exceed two pages of A4-sized paper when printed, except in the case of formula AIF, which may be up to three pages of A4-sized paper when printed.

II. The prospectus

The prospectus precisely describes the investment and operating rules of the AIF, along with all the procedures for compensating the management company and the depositary. It provides a complete presentation of the planned investment strategies, along with the specific financial instruments used, especially in cases where such instruments require special monitoring, are exposed to specific risks or have specific characteristics. The structure includes the following sections:

- General characteristics;
- Operating and management procedures, including compensation of the management company and the depositary;
- Information of a commercial nature;
- Investment rules;
- Asset valuation rules and procedures.

The fund rules or the articles of incorporation of the AIF are to be appended to the prospectus.

III. The key investor information document (KIID), prospectus, fund rules and articles of incorporation must use the standard templates developed by the AMF and found in Annexes XIII, XIV, XV and XVI. More specifically, the template and titles of the different sections of the key investor information document (KIID), prospectus, rules and articles of incorporation must be followed. If the language used is not French, the template and the section titles must be literal translations of the terms used below. The items in italics must not be modified. In accordance with paragraph II of Article 422-66 of the AMF General Regulation,³⁴ the fund rules or the articles of incorporation and documents intended for notification of the holders may be written in a language customary in financial matters other than French, where the AIF or its management company ensures that the marketing mechanism in place prevents these documents from being sent to or reaching, on the territory of the French Republic, investors for whom this language would not be understandable.

³⁴ Applicable to funds of alternative funds and professional alternative investment funds by reference to Articles 422-250 and 423-1 of the AMF General Regulation.

Article 26 - Objectives of the key investor information document (KIID) and prospectus

The objective of the key investor information document (KIID) is to provide a summary of the essential information that investors need to make an informed decision. It is presented and laid out in a way that facilitates reading, by using sufficiently large print in particular. It is clearly written, using language that facilitates investors' comprehension of the information being communicated, more specifically by using clear, concise and understandable language, and by avoiding jargon and technical terms when everyday words can be used.

The objectives and characteristics of the prospectus consist in providing:

- 1° Detailed information about all the items summarised in the key investor information document (KIID), so that those investors who so wish may find complete information about the management and operating procedures of the AIF and compare the specific features of different AIF that have a key investor information document or UCITS with each other;
- 2° Precise information about the risks identified when the AIF was set up or updated. The prospectus must not be misleading, either by providing erroneous information or by omitting information that is needed to understand all the management and operating rules of the AIF, along with all the costs incurred;
- 3° The information that the depositary, statutory auditor and compliance and internal control officer of the management company or SICAV need for their due diligence.

The AIF or management company must give due consideration to the positions and interpretations published by the AMF when drafting the key investor information document (KIID) and prospectus.

Article 27 - Key investor information document (KIID) and prospectus dissemination procedures

I. In accordance with Article 422-86 of the AMF General Regulation,³⁵ "The key investor information document (KIID) is to be provided to investors free of charge and in a timely manner before they subscribe units or shares in the retail investment fund".

II. The key investor information document (KIID) may be disseminated by either of the following procedures, to be chosen by the persons in charge of marketing the AIF:

1° If the persons marketing the AIF choose to record subscriptions using subscription forms, such forms must stipulate that:

- a) The subscriber has received the key investor information document (KIID) of the AIF;
- b) In accordance with Article 422-89 of the AMF General Regulation,³⁶ *"The prospectus shall be provided to investors on request and free of charge in a durable medium, within the meaning of Article 314-26 or by means of a website."*

The most recently published annual and half-yearly reports of the fund shall be delivered to investors on request and free of charge and made available in the manner specified in the prospectus and the key investor information document.

A paper copy of the documents referred to in this article will be delivered to the investors on request and free of charge."

2° If the persons handling marketing wish to be exempt from submitting a subscription form, the arrangements for supplying and disseminating the KIID, the prospectus, latest annual report and periodic statement must comply with the abovementioned Articles 422-86 and 422-89 of the AMF General Regulation.

³⁵ Applicable to funds of alternative funds and, where applicable, to professional alternative investment funds by reference to Articles 422-250 and 423-1 of the AMF General Regulation.

³⁶ Applicable to funds of alternative funds and to professional alternative investment funds by reference to Articles 422-250 and 423-1 of the AMF General Regulation.

Article 28 - Standard template of the key investor information document (KIID)

The key investor information document (KIID) is essential for informing subscribers and must be updated whenever necessary and at least once every twelve months under the responsibility of the management company or the SICAV.

The key investor information document (KIID) comprises five sections:

- 1° the “Objectives and investment policy” section describes the essential characteristics of the AIF that the investor should know;
- 2° the “Risk/reward profile” section contains a synthetic indicator backed up by narrative explanations of the limitations of such indicators and the major risks that are not included in the indicator;
- 3° the “Charges” section presents a standardised table of charges;
- 4° the “Past performance” section;
- 5° the “Practical information” section tells investors where to obtain more information (prospectus, etc.) about the AIF.

The standard key investor information document (KIID) template is presented in Annex XIII.

Article 29 - Standard template for the prospectus

Prospectuses may not be produced for different compartments or unit or share classes. The standard template for the prospectus is presented in Annex XIV.

Article 29-1 - Standard templates for fund rules or articles of incorporation

The fund rules or articles of incorporation must use the templates provided in Annexes XV and XVI.

Article 30 - Classifications

- **Principle of optional classification and exceptions**

With the exception of the classifications referred to in Articles 30-7 and 30-9 of this instruction, the fund classifications referred to below will only be retained by AIF on an optional basis³⁷.

You are reminded that for AIF that have chosen to abandon or not adopt a classification, all of the exposure and/or investment limits relating to the classification abandoned must be included in the fund’s regulatory documents. These limits, whether they are set in regulatory documents or management rules specific to the AIF, must be complied with at all times.

AIF that refer to the classifications referred to in Articles 30-1 to 30-6 and 30-8 in their regulatory documents and have chosen to abandon the option must remove this reference where applicable.

They must provide information on their GECO extranet, as soon as they delete the reference to a particular classification, about one of the ECB classifications listed below, for the sole purpose of disclosure to the Banque de France pursuant to Regulation (EU) No 1073/2013 concerning statistics on the assets and liabilities of investment funds::

Name
Funds invested in equities
Funds invested in bonds

³⁷ The AMF classification will be retained without any action from the AIF.

Mixed funds
Funds invested in real estate
Speculative funds
Other funds

- **Classification types**

The SICAV or the management company declares the classification to which the AIF belongs from among the possibilities mentioned in Articles 30-1 to 30-9 of this Instruction.

The classification of the AIF must be mentioned in the “Objectives and investment policy” section of the key investor information document (KIID) and is subject to permanent compliance of the AIF with all the criteria that must be stipulated in the “Classification” section of the AIF prospectus. It is up to the SICAV or the management company of the AIF to decide whether to provide any further explanations.

The classification represents the actual exposure of the AIF. This exposure must be calculated according to the formula set out in Article 30-10 of this instruction.

The nationality of the issuer of an instrument in which the AIF is invested is defined with regard to the country where its registered office is located (including when the issuer is a subsidiary located in a different country from its parent company).

In the specific case of securitisation products or special-purpose vehicles with other underlying assets, the nationality of the issuer is the nationality of the underlying assets. However, the place of registration of the vehicles issuing these products must be mentioned in the prospectus.

AIF falling within the classifications defined in articles 30-1 to 30-4 of this instruction must have 60% or more exposure to equity markets at all times. The classification then depends on the geographical zone of the equities to which the AIF is exposed.

The notion of incidental exposure mentioned in articles 30-1 to 30-3 and 30-5 of this instruction means the consolidated sum of the exposure to the specific risks described. This means that the contribution of all these risks to the overall risk profile of the AIF must be low. Under no circumstances may exposure of more than 10% of the assets to specific risks be qualified as incidental exposure for the application of this instruction. On the other hand, merely complying with exposure of less than 10% is not enough in itself to qualify as an incidental specific risk. The notion of incidental risk must be addressed through the nature of the risks incurred and the contribution that the relevant assets make to the overall risk profile and potential return of the AIF.

Article 30 -1 - “French equities” AIF (*optional classification*)

The AIF has at least 60% exposure to the French equity market at all times.

Exposure to exchange rate risk or to markets other than the French market must be incidental.

The “Classification” section of the AIF prospectus must mention the minimum exposure of the AIF to the French equity market.

Article 30-2 - “Euro area equities” AIF (*optional classification*)

The AIF has at least 60% exposure to one or more markets for equities issued in one or more euro area countries, possibly including the French market.

Exposure to exchange rate risk or to foreign markets outside the euro area must be incidental.

The “classification” section of the AIF prospectus must mention the minimum exposure of the AIF to euro area equity markets.

Article 30-3 - “European Union equities” AIF (*optional classification*)

The AIF has at least 60% exposure to one or more markets for equities issued in one or more European Union countries at all times, possibly including euro area markets.

Exposure to exchange rate risk for currencies other than those of the euro area or European Union must be incidental. Exposure to market risks other than within the European Union must remain incidental.

The “Classification” section of the AIF prospectus must mention the minimum exposure of the AIF to all the corresponding markets.

Article 30-4 - “International equities” AIF (*optional classification*)

At least 60% of the AIF is continuously exposed on a foreign stock market or on stock markets of several countries, possibly including the French market.

The “Classification” section of the AIF prospectus must mention the minimum exposure of the AIF to all the corresponding markets.

Article 30-5 – “Euro-denominated bonds and other debt securities” AIF (*optional classification*)

The AIF is exposed to fixed-income securities denominated in euros at all times. Exposure to equity risk must not exceed 10% of net assets.

Exposure to securities denominated in a currency other than euros and exposure to exchange rate risk must be incidental.

The “Investment strategy” section of the prospectus must provide a table showing the interest-rate sensitivity range within which the AIF is managed and the geographical zone of the issuers of the securities (or of the underlying assets for securitisation vehicles) that the AIF is exposed to, along with the relevant exposure ranges.

If the range of credit-spread sensitivity is materially different from the range of interest-rate sensitivity, the credit-spread sensitivity must be mentioned in the “Investment strategy” section of the prospectus.

Article 30-6 - “International bonds and other debt securities” AIF (*optional classification*)

The AIF is exposed to fixed-income securities denominated in other currencies than the euro at all times (and possibly to euro-denominated fixed-income securities).

Exposure to equity risk must not exceed 10% of net assets.

The “Investment strategy” section of the prospectus must provide a table showing the interest-rate sensitivity range within which the AIF is managed, the currencies in the which the securities the AIF is invested in are denominated, the level of exchange rate risk incurred, the geographical zone of the issuers of the securities (or of the underlying assets for securitisation vehicles) that the AIF is exposed to, along with the relevant exposure ranges.

If the range of credit-spread sensitivity is materially different from the range of interest-rate sensitivity, the credit-spread sensitivity must be mentioned in the “Investment strategy” section of the prospectus.

Article 30-7 - “Money market” AIF (*mandatory classification*)

The classifications referred to in points 1° to 4° of this article are filled out at the time of MMF authorisation (Annexes I ter and II bis) and used for the purposes of transmission to ESMA and the Banque de France:

1° “Public debt constant net asset value MMF” (mandatory classification): these are AIF corresponding to the definition in Article 2.11) of the MMF Regulation;

2° “Low volatility net asset value MMF” (mandatory classification): these are AIF corresponding to the definition in Article 2.12) of the MMF Regulation;

3° “Short-term variable net asset value MMF” (mandatory classification): these are AIF corresponding to the definition in Articles 2.13) and 2.14) of the MMF Regulation;

4° “Standard variable net asset value MMF” (mandatory classification): these are AIF corresponding to the definition in Articles 2.13) and 2.15) of the MMF Regulation.

For commercial purposes, those funds subject to the provisions of the MMF Regulation may be designated by their classification or their characteristics, meaning by the type of fund or the fact that they are short-term or standard.

Article 30-8 - “Fund of hedge funds” AIF (*optional classification*)

I. More than 10% of the “Fund of hedge funds” AIF is exposed to:

1° Shares or units of foreign AIF or investment funds mentioned in Article R. 214-32-19(5) of the Monetary and Financial Code, including those investing more than 10% of their assets in units or shares in undertakings covered by Article D. 214-22-1 or of AIF covered by Article D. 214-32-31, units or shares in French undertaking for collective investment in transferable securities (UCITS), AIF covered by paragraphs 1, 2 and 6 of sub-section 2, sub-paragraph 1 of paragraph 1 or paragraph 2 of sub-section 3 of section 2 of chapter IV of title I of Book 2 of the regulatory section of the Monetary and Financial Code, or units or shares in AIF established in other Member States or foreign investment funds invested under conditions identical to those mentioned in Article R. 214-93(4)(b), or units or shares in AIF or investment funds mentioned in Article R. 214-32-19(5) whose investment objective corresponds to the evolution of an index of financial instruments meeting the conditions defined in paragraph I of Article R. 214-32-25;

2° Shares or units of professional specialised investment funds;

3° Shares or units of funds of alternative funds covered by Article L. 214-140 or professional alternative investment funds covered by Article L. 214-144;

4° Shares or units of streamlined undertakings for collective investment in transferable securities covered by Article L. 214-35 in its drafting prior to 2 August 2003;

5° Units of mutual funds dealing on the forward markets mentioned in Article L. 214-42 in its drafting prior to the publication date of ordinance 2011-915 of 1 August 2011 relating to undertakings for collective investment in transferable securities and the modernisation of the legal framework for asset management;

6° Units or shares in feeder UCITS / AIF mentioned in articles L. 214-22 and L. 214-24-57 or, under the conditions defined in Article 422-105 of the AMF General Regulation, units or shares in foreign feeder funds whose master fund meets the conditions of Article R. 214-32-19(5).

II. A warning specific to this management must be inserted into the prospectus.

III. The “Objectives and investment policy” section of the key investor information document (KIID) and the “Investment objective” section of the prospectus must mention an investment objective making reference to investments in funds implementing alternative management strategies.

IV. The “Investment policy” section of the prospectus must mention:

- 1° The maximum percentage of exposure in the instruments mentioned above;
- 2° The type of alternative management strategies. Where, contrary to the generally recognised practices, the asset management company does not rule out concentrating the exposure of the “fund of hedge funds” AIF on a limited number of investment strategies, the prospectus must make investors aware of this;
- 3° The proposed maximum distribution or the exposure range sought for each strategy;
- 4° The nature of the underlying funds with their geographical origin and where they are listed (at least an indication of the fact that the underlying assets are incorporated or formed in member or non-member countries of the OECD);
- 5° The limits of investment in funds of funds and unlisted funds.

V. The “Risk profile” section of the prospectus must indicate a relevant quantitative risk measurement indicator.

VI. The “Subscription and redemption requirements” section of the prospectus must mention:

- 1° The minimum initial subscription level;
- 2° A specific warning in case of a notice period for redemptions.

The charges relating to the underlying funds must be mentioned in the prospectus, like for AIF of AIF.

Article 30-9 - “Formula fund” AIF (mandatory classification)

I. In accordance with the provisions of Article R. 214-32-39, the investment objective of a formula fund is to reach a predetermined amount at the end of a set period through the mechanical application of a predefined formula based on financial market indicators or financial instruments and to distribute the income that is pre-defined in the regulatory documents, where applicable.

The words “formula [FCP / SICAV]” must be added in the “Objectives and investment policy” section of the key investor information document (KIID) and in the prospectus. These sections must include a specific investment objective for the formula.

II. The “Objectives and investment policy” section of the key investor information document (KIID) must mention the “minimum recommended holding period” if relevant. The minimum recommended holding period is replaced by the “duration of the formula” in the prospectus, which must stipulate the investment period necessary to benefit from the formula.

III. The “Risk profile” section of the prospectus must include a special mention if the provider has not established an official auditable procedure for selecting and assessing intermediaries and counterparties.

IV. The “Guarantee” section of the prospectus must mention the special characteristics stipulated in Annex XIV. The “Classification” section of the prospectus must be followed by the following language: “Guarantee”, followed by, depending on the case: “Capital guarantee at maturity” or “The [FCP / SICAV] does not provide a capital guarantee at maturity.”

V. When rates of return are indicated for formula patterns, they must be expressed directly in the form of yield to maturity or their yield to maturity equivalent must be given.

VI. Note that Article 11 of AMF instruction DOC 2011-15 stipulates the specific information to be included in the prospectuses of formula funds meeting the criteria set out in Article 422-59 of the AMF General Regulation.

- **AIF exposure assessment methods**

Article 30-11 - Assessing AIF exposure

In addition to physical investments, the assessment must include contractual transactions, financial contracts, as well as securities with embedded derivatives, in order to measure the exposure of the AIF. Equity and bond warrants, calls, puts, CVRs, ADRs, EDRs and other financial instruments where the underlying assets are financial instruments are to be classified according to the category of the underlying assets.

The exposure corresponding to the specified category must be maintained at all times. The manager is not required to calculate it each time the net asset value is established but must be able to justify the classification of the AIF at the request of the AMF or the statutory auditors.

The exposure of an AIF invested in other French collective investments, foreign UCITS, AIF established in another Member State or foreign investment funds must be calculated on a transparent basis. Several calculation methods may be used, depending on the amount of information available about the underlying fund:

- first, assess the actual exposure of the underlying French collective investments, foreign UCITS, AIF established in another Member State and foreign investment funds to the markets in question;
- failing that, assess the minimum percentages of exposure to the relevant markets indicated in the regulatory documents of the underlying French collective investments, foreign UCITS, AIF established in another Member State of the European Union and foreign investment funds to the markets in question;
- lastly, failing that, include a haircut depending on the investment policies of the underlying French collective investments, foreign UCITS, AIF established in another Member State and foreign investment funds to the markets in question. For example, under this method, a “French equities” AIF set up under French law and investing in a foreign UCITS where the investment strategy consists of “being primarily exposed to French equity markets” could assign a factor of 0.5 to its exposure to this UCITS.

Bonds that can be converted into equities or similar securities must be broken down to assess the interest rate exposure and credit market exposure of the bond component, as well as the equity market exposure of the option component.

If the AIF is specialised in a business sector, market or instrument, the “Investment strategy” section of the prospectus must set out the minimum percentage of investment and/or exposure related to such specialisation.

If the minimum exposure rules of an AIF for specific markets are no longer met following an event beyond the manager’s control (stock price movements, massive subscriptions or redemptions, mergers, etc.), the manager’s priority objective in its sales must be to remedy the situation in the interest of the unitholders or shareholders.

In accordance with Article 422-24 of the AMF General Regulation, contracts pertaining to sub-categories of one commodity must be considered a contract on only one commodity for the calculation of the diversification limit provided for in Article R. 214-32-23 a) of the Monetary and Financial Code. The sub-categories of a commodity should not be considered as the same commodity if they are not highly correlated. With regard to the correlation factor, two sub-categories of one commodity should not be considered as highly correlated if 75% of the correlation points are lower than 0.8. For this purpose, it is appropriate to calculate the points of correlations observed on the basis of (i) equally

weighted daily yields of the corresponding commodities prices and (ii) a sliding window of 250 days over a period of five years.

Formula used to measure AIF exposure to a given market

a) Items that must be taken into consideration:

- + Valuation of physical assets invested in the market
- +/- Equivalent underlying assets for financial instruments with embedded derivatives
- +/- Temporary disposals or acquisitions of securities
- +/- Physical equivalent of derivatives
(Number of contracts x unit value x settlement price)
- +/- Equivalent of underlying assets in swaps that alter the dominant exposure of the AIF to the market
- Equivalent of underlying assets for net short calls and long puts
- + Equivalent of underlying assets for net short puts and long calls

} A

b) Calculation of the degree of exposure:

$$\text{Degree of exposure} = \frac{A \times 100}{\text{global net assets}}$$

Article 31 - Specific procedures

Article 31-1 - Master and feeder structures

I. A distinction must be made according to whether:

1. The master has a classification

The feeder may:

- a. Either retain the master's classification or adopt a different classification if the concluding of financial contracts by the feeder implies a change in its exposure requiring a change of classification

- b. Or remove any reference to optional AMF classifications.³⁸ In this case, it makes sure that the management restrictions implied by the master's classification are described in its own prospectus.

2. The master does not have a classification (French or foreign fund)

The Feeder may:

- a. Either adopt a classification in line with the master's strategy and the exposure arising from the concluding of financial contracts by the feeder. In this case, it makes sure that the management restrictions implied by its classification are described in its own prospectus.
- b. Or remove any reference to optional AMF classifications.³⁹

II. If the account closing date of the feeder AIF is different from that of the UCITS or master AIF, a technical memo must be filed with the AMF explaining the reasons for the difference (the dividend date of the UCITS or master AIF is not a valid reason), and the measures taken to ensure that the unitholders or shareholders of the feeder AIF receive equivalent disclosure and treatment to what they would receive as unitholders or shareholders of the UCITS or master AIF.

III. The key investor information document and prospectus must mention the direct charges stemming from the feeder AIF and the indirect charges stemming from the UCITS or master AIF. The language in the prospectus relating to indirect charges stemming from the UCITS or the master AIF must appear in italics.

Article 31-2 - Guaranteed AIF

I. The guarantee must be granted either to the AIF or to the unitholders or shareholders by an institution referred to in Article R. 214-32-28 of the Monetary and Financial Code.⁴⁰

II. When a guaranteed level or formula is offered, the guarantee must apply to:

- 1° The initial net asset value, if there is a single subscription net asset value;
- 2° The highest net asset value during the subscription period.

III. The nature of the guarantee and its characteristics must be clearly set out in the relevant section. The information must include:

- 1° The level of the guarantee:
 - full capital guarantee;
 - partial capital protection.
- 2° Whether the guarantee includes entry charges or not;
- 3° Subscription dates for obtaining the guarantee;
- 4° Dates on which the guarantee will be granted;
- 5° Whether the guarantee is granted to the AIF or directly to the unitholders or shareholders. If the guarantee is granted directly to the unitholders or shareholders and they are required to request

³⁸ Optional classifications means the classifications referred to in Articles 30-1 to 30-6 and 30-8 of the instruction. Note that, if all classifications are abandoned, the feeder must follow the rules set out in Article 30 of this instruction.

³⁹ Optional classifications means the classifications referred to in Articles 30-1 to 30-6 and 30-8 of the instruction. Note that, if all classifications are abandoned, the feeder must follow the rules set out in Article 30 of this instruction.

⁴⁰ See also Position no. 2013-12 - Requirement to offer a guarantee (of the formula and/or capital, as appropriate) for structured UCITS and AIF, "guaranteed" UCITS and AIF and structured debt securities issued by special-purpose vehicles and marketed to the general public.

redemption of their units or shares on a specific date to benefit from the guarantee, this requirement must be pointed out in a warning that specifies the final net asset value that is guaranteed, along with the deadline for submitting redemption orders. If the guarantee requires action by the unitholders or shareholders (such as making a request for redemption at a set net asset value, for example), they must be alerted individually by letter in a timely manner if there is any likelihood that it will be in their interest to redeem their units or shares.

Article 31-3 - For an AIF investing in French collective investments, undertakings for collective investment in transferable securities (UCITS) incorporated under foreign law, AIF established in another EU Member State or investment funds incorporated under foreign law

As an introduction, you are reminded that for money market funds, specific provisions are set out in the MMF Regulation.

I. Any AIF must specify the extent to which it is authorised to invest in units or shares in French collective investments, undertakings for collective investment in transferable securities (UCITS) incorporated under foreign law, AIF established in another EU Member State, or investment funds incorporated under foreign law:

- 1° The AIF invests up to 10% of its net assets in units or shares mentioned above;
- 2° The AIF may invest more than 10% of its net assets, without exceeding 20% of its net assets, in units or shares mentioned above;
- 3° The AIF has the option of investing more than 20% of its net assets in units or shares mentioned above.

II. Disclosure of indirect charges:

If the AIF has the option of investing more than 20% of its net assets in shares or units of French collective investments, undertakings for collective investment in transferable securities (UCITS) incorporated under foreign law, AIF established in another EU Member State, or investment funds incorporated under foreign law, the impact of indirect charges and fees must be included in the total ongoing charges referred to in the key investor information document (KIID).

The table in the prospectus that shows all charges must then also disclose maximum indirect charges. Furthermore, if the management company retains the option of disclosing a maximum total charge rate, this total will then have to include the indirect charges levied”.

Section II - Periodic reporting and other information made available to investors

For money market funds, specific provisions are also set out in the MMF Regulation. In addition, AIF using securities financing transactions and total return swaps must provide the information listed in section A of the annex to Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) n°648/2012 (SFTR Regulation)

Article 32 - Half-yearly / quarterly reports and half-yearly or quarterly asset breakdowns

I. In accordance with Articles L. 214-24-62 and D. 214-33 of the Monetary and Financial Code, AIF must draw up a half-yearly report at the end of the first half of their accounting period.

They may choose to publish reports more frequently. In that case, should they wish to return to a less frequent publication schedule, they shall notify holders in advance by any means within a reasonable time.

II. This half-yearly or quarterly periodic report must be published no later than two months after the end of the first half of the year, or after the end of each quarter, where applicable.

III. The half-yearly or quarterly reports may be compiled:

- 1° either on the last trading day of the half-year period or quarter, as the case may be;
- 2° or the day on which the last net asset value is calculated.

IV. Regardless of their presentation, all the disclosures about an AIF or a compartment must include its name.

V. The half-yearly reports must contain the following information:

1° a statement of assets and liabilities, including the following items:

- a) the eligible financial securities referred to in point 1° of paragraph I of Article L. 214-24-55 of the Monetary and Financial Code;
- b) bank balances;
- c) other assets held by the AIF;
- d) total assets held by the AIF;
- e) liabilities;
- f) net book value.

2° Number of units or shares in circulation,

3° Net book value per unit or share,

4° Portfolio

5° Statement of changes in the composition of the portfolio during the reference period;

6° Quantified data on post-tax dividends paid or proposed during the period;

7° For AIFs subject to AMF Position 2021-01, the impact of the performance fees, clearly showing, for each class of units or shares in question, i) the real amount of the fees invoiced and ii) the calculation of the fees as a percentage of the net asset value of that class of units or shares

8° Summary of the cases and conditions in which the gating has been decided during the reference period.

VI. In accordance with Article L. 214-24-49 of the Monetary and Financial Code, a document called “asset composition” must be drawn

up as of the date of the last net asset value of the half-year period. This document must be sent to any unitholder or shareholder who requests it within eight weeks of the end of each half-year period.

This document must provide the following information:

- 1° A detailed inventory of the portfolio specifying the quantities and values of financial instruments;
- 2° Net assets;
- 3° Number of units or shares in circulation;
- 4° Net asset value;
- 5° Off-balance sheet commitments.

The document must be compiled in detail and must be understandable for any unitholder or shareholder.

VII. In accordance with Article 422-83 of the AMF General Regulation, AIF with assets of more than 80 million euros are required to have the quarterly document mentioned in VI certified by the statutory auditor of the AIF.

VIII. The document mentioned in VI may be replaced by the document used to calculate the net asset value and provided by the SICAV or the asset management company to the statutory auditor of the AIF, provided that it contains the items referred to in points 1 to 5 of VI.

The provisions of Article 422-83 are not applicable to AIF reserving subscription or acquisition of their units or shares pursuant to Article L. 214-26-1 of the Monetary and Financial Code.

Article 33 - Annual report

The annual report must be drawn up as of the last day of the accounting period or the day on which the last published net asset value is calculated, if so stipulated in the prospectus.

It must contain the following items:

- the management report,
- the summary documents defined in the chart of accounts and the certification of the statutory auditor, any substantial change subject to ex-post notification within the meaning of Article 106 of Commission Delegated Regulation (EU) 231/2013 of 19 December 2012, in the notifications referred to in Article 36 of this instruction made during the accounting period to which the report relates.

Where the AIF is managed by a management company authorised in accordance with Directive 2011/61/EU, the annual report must also include:

- the total amount of compensation for the accounting period, broken down into fixed compensation and variable compensation, paid by the management company to its staff, and the number of beneficiaries, and, where applicable, the carried interests paid by the AIF;
- the aggregate amount of compensation, broken down between executives and members of the staff of the management company whose activities have a significant impact on the risk profile of the AIF.
- for each category of units or shares in question in AIFs subject to AMF Position 2021-01, the impact of the performance fees, clearly showing, for each class of units or shares in question, i) the real amount of the fees invoiced and ii) the calculation of the fees as a percentage of the net asset value of that class of units or shares

The management company authorised in accordance with Directive 2011/61/EU of 8 June 2011 must also comply with Article 107 of the Commission Delegated Regulation (EU) 231/2013 of 19 December 2012.

The accounting data contained in the annual report must be prepared in accordance with French accounting standards and the accounting rules established in the fund rules and articles of incorporation of the AIF.

The report issued by the statutory auditor and, where applicable, the statutory auditor's remarks must be reproduced in full in the annual report.

The AIF's annual report must also include an indication of the changes in the composition of the securities portfolio during the reference accounting period and, where applicable, information about the financial instruments in the portfolio that have been issued by the management company or entities in its group. Where applicable, it must also indicate the collective investments referred to in Article 321-154 of the AMF General Regulation, AIF and investment funds managed by the management company or the entities in its group.

If the AIF's annual report is published within 8 weeks of the end of the accounting period and contains the items referred to in points 1° to 5° of paragraph VI of Article 32 of this instruction, the SICAV or management company is not required to report the asset composition. In this case, the annual report must be sent to any unitholder or shareholder who requests disclosure of the asset composition.

Management report

The information provided for in Article 421-34 of the AMF General Regulation must at least appear in the management report if it is not communicated in the periodic reports according to the procedures and deadlines defined in the prospectus.

In addition, in accordance with Article 421-35 of the AMF General Regulation, the management company must comply with articles 103 to 109 of Commission Delegated Regulation (EU) 231/2013 of 19 December 2012.

The items that must be indicated in the annual report and are not indicated in the summary documents must be included in the management report.

Article 34 - Specific requirements for feeder AIF

The management report of a feeder AIF must indicate the latest available information about direct and indirect charges that it incurs, meaning the charges actually collected, in the form of a percentage.

The annual report of a feeder AIF must mention the items in the annual report of the UCITS or master AIF as well as the total charges of the feeder AIF and of the master UCITS or AIF.

The annual report of the master UCITS or AIF must also be appended to the management report of the feeder AIF.

The other periodic reports must be appended to those of the feeder AIF.

The statutory auditor of the feeder AIF must report any problems or inaccuracies found in the statutory auditor's report on the financial statements of the master UCITS or AIF and draw the conclusions deemed necessary, if they affect the feeder AIF.

Article 35 - Specific requirements for index-tracking AIF and "fund of hedge funds" AIF

I. - The management report of an index-tracking AIF must measure the actual tracking error of the AIF and compare it with the maximum error indicated in the prospectus.

II. - The management report of a "fund of hedge funds" AIF must indicate:

- 1° The actual distribution of the "fund of hedge funds" AIF between the possible alternative strategies and its comparison with the distribution indicated in the prospectus;
- 2° The quantitative indicator(s) of the risk measurement actually achieved by the "fund of hedge funds" AIF and their comparison with the maximum indicated in the prospectus. These indicators must be accompanied by an explanation of their meaning.

Article 36 – Information made available to investors

Pursuant to paragraph I of Article 421-34 of the AMF General Regulation, the AIF or the management company must make the following information available to the AIF's investors before they can invest in the AIF:

a) a description of the AIF's strategy and the investment objectives, information about where any master AIF is established within the meaning of paragraph IV of Article L. 214-24 of the Monetary and Financial Code and where the underlying funds are established if the AIF is a fund of funds, a description of the types of assets in which the AIF can invest, techniques that it may use and all the associated risks, any applicable restrictions on investment, circumstances in which the AIF may use leverage, types of leverage and sources of leverage authorised and the associated risks, any restrictions on the use of leverage, as well as any arrangements for reusing collateral or assets and on the maximum level of leverage that a management company is permitted to use on behalf of the AIF;

b) a description of the procedures that may be implemented by the AIF to change its investment strategy, its investment policy or both;

- c) a description of the main legal consequences of the contractual commitment made for investment purposes, including information on legal competence, applicable law and whether legal instruments exist permitting the recognition and enforcement of decisions on the territory of the French Republic;
- d) the identification of the management company, the depositary and the statutory auditor of the AIF, as well as any other service provider, and a description of their obligations and the rights of investors;
- e) where the AIF is managed by a management company authorised under Directive 2011/61/EU, a description of how the management company complies with the requirements set out in paragraph IV of Article 317-2 of the AMF General Regulation (or its equivalent, transposing paragraph 7 of Article 9 of Directive 2011/61/EU into the law applicable to the management company);
- f) a description of any management function delegated by the management company and any custodianship function delegated by the depositary, the identification of the delegate and any conflict of interest that may arise from these delegations;
- g) a description of the AIF's valuation procedure and the methodology for determining the price used to assess the asset value, including the methods employed for assets that are difficult to value;
- h) a description of the management of AIF's liquidity risk, including the rights to reimbursement in both normal and exceptional circumstances, and the existing arrangements with investors regarding reimbursement;
- i) a description of all potential costs, charges and fees, and their maximum amounts, borne directly or indirectly by investors;
- j) a description of how the management company guarantees fair treatment of investors and, from the moment an investor receives preferential treatment or the right to receive preferential treatment, a description of this preferential treatment, the type of investors who receive this preferential treatment, and, where applicable, the indication of their legal or economic ties with the AIF or the management company;
- k) where applicable, the most recent annual report referred to in Article 33;
- l) the procedure and the conditions for issuing and redeeming units or shares;
- m) where applicable, the most recent net asset value of the AIF or the most recent market price of the unit or share of the AIF;
- n) where applicable, the past performance of the AIF;
- o) the identity of the prime broker and a description of all the important steps that the AIF has taken with its prime brokers and how conflicts of interest relating thereto are managed and the provision of the contract with the depositary stipulating the possibility of a transfer or reuse of assets of the AIF and the information relating to any transfer of responsibility to the prime broker that could exist;
- p) a description of the procedures and deadlines for communicating the information required under paragraphs IV and V of Article 421-34 of the AMF General Regulation.

Such information, with the exception of the information referred to in k) and m) (and n) for AIF that may not establish a KIID), is contained in the standard template of the KIID and the prospectus, the standard fund rules and the standard articles of incorporation reproduced in Annexes XIII, XIV, XV and XVI of this instruction. A table of correlation appears in Annex I ter (table 1). The information not included in these regulatory documents is cited in the Annex I ter (table 2); it must be made available to investors.

The AIF or the management company must inform the investor of any substantial change pertaining to this information.

In addition, Article 421-34 of the AMF General Regulation also provides for the following:

“IV. EU AIF and AIF marketed in the EU, or their asset management company, management company or AIF manager, shall periodically disclose to investors:

- 1° The percentage of the AIF’s assets subject to special arrangements arising from their illiquid nature;
- 2° Any new arrangements for managing the liquidity of the AIF;
- 3° The current risk profile of the AIF and the risk management systems employed by the AIF or its asset management company, management company or AIF manager to manage those risks.

V. EU AIF and AIF marketed in the EU, employing leverage, or their asset management company, management company or AIF manager, shall, for each such AIF, disclose on a regular basis:

- 1° Any changes to the maximum level of leverage which the asset management company, management company or AIF manager may employ on behalf of the AIF as well as any right to reuse the AIF’s assets given as collateral and any guarantee under the leveraging arrangements;
- 2° The total amount of leverage employed by that AIF”.

In accordance with Article 421-35 of the AMF General Regulation, the AIF or management company must comply with Articles 103 and 109 of Commission Delegated Regulation (EU) 231/2013 of 19 December 2012.

CHAPTER III – REPORTING TO THE AMF

Article 42 – Reporting on compensation for non-compliance with investment restrictions

Pursuant to Article 411-139 of the AMF General Regulation, an investment management company that is established in a European Union Member State or a State party to the Agreement on the European Economic Area other than France and manages a French UCITS, must send the AMF the form on compensation paid out for any non-compliance with investment restrictions, via the ROSA extranet. This form is available on the AMF website and must be sent by 31/10/2021 at the latest, and then no later than 1 calendar month following the end of each quarter of the calendar year.

The fact that the AMF should choose to target “active” non-compliance (that is excepting any cases occurring beyond the control of the asset management company and not resulting from the maturity of a financial instrument held by the fund) with investment and asset structure rules in this data collection should in no case be interpreted as a regulatory comfort granted to investment management companies with regard to “passive” breaches.