

FONDS COMMUN DE PLACEMENT (MUTUAL FUND) REGULATIONS

GROUPAMA CONVERTIBLES

PART 1

ASSETS AND UNITS

Article 1 – CO-OWNERSHIP UNITS

The rights of co-owners are expressed as units, each unit corresponding to the same fraction of the assets of the Fund. Each unitholder has a shared ownership right to the assets of the Fund in proportion to the number of units held.

The term of the Fund is 99 years from the date it was authorised by the AMF (French financial markets authority), unless dissolved early or extended in accordance with these regulations.

Classes of units:

The characteristics of the various classes of units and the eligibility rules governing them are set out in the Fund's prospectus.

The different unit classes may:

- be subject to different earnings distribution regimes (distribution or accumulation);
- be denominated in different currencies;
- bear the costs of the various management fees;
- bear the costs of the various subscription and redemption fees;
- have different nominal values;
- be matched with a systematic partial or total hedge, which is defined in the prospectus. This hedging is accomplished using financial instruments and reduces to a minimum the impact of hedging transactions on the other unit classes of the Fund;
- be limited to one or several marketing channels.

Units may be combined or divided.

Upon decision of the competent body of the management company, units may be fractioned into tenths, hundredths, thousandths or ten-thousandths, which shall be called unit fractions.

The provisions of the regulation governing the issue and redemption of units are applicable to unit fractions, whose value shall always be proportional to the value of the unit that it represents. All other provisions of the regulations relating to units also apply to unit fractions without the need to so specify, unless stated otherwise.

The competent body of the management company may, at its sole discretion, divide units by creating new units that are issued to unitholders in exchange for their former units.

Article 2 – MINIMUM ASSETS

Units may not be redeemed if the assets of the Fund fall below 300,000 euros. If the Fund's assets remain below this amount for 30 days, the management company shall take the necessary measures to liquidate the Fund concerned, or execute the transactions cited in Article 411-16 of the general regulations of the AMF (transfer of the Fund).

Article 3 – ISSUE AND REDEMPTION OF UNITS

The Fund may issue units at any time on request from unitholders based on their net asset value plus any subscription fee, if applicable.

Redemptions and subscriptions are conducted under the conditions and according to the procedures set out in the prospectus.

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

Subscriptions must be fully paid up at the net asset value calculation date. This may be in cash and/or in the form of financial instruments. The management company has the right to refuse the securities offered, and, to that end, has seven days from the time that they are deposited to make its decision known. If accepted, the securities contributed are valued in accordance with the rules set out in Article 4 and the subscription is executed on the basis of the first net asset value following the acceptance of the securities concerned.

Redemptions may be made in cash and/or in kind. If the redemption in kind corresponds to a portion representing the assets of the portfolio, the Fund or the management company must obtain in writing the signed agreement of the outgoing unitholder only. When the redemption in kind does not correspond to a portion representing the assets of the portfolio, all unitholders must signify their agreement in writing, authorising the outgoing unitholder to redeem their units for certain specific assets, as defined explicitly in the agreement.

Notwithstanding the foregoing, when the Fund is an ETF, redemptions on the primary market may, with the agreement of the portfolio management company and in the interest of the unitholders, be made in kind under the conditions defined in the prospectus or the Fund regulations. The assets are delivered by the issuing account holder under the conditions defined in the Fund's prospectus.

In general, redeemed assets are valued in accordance with the rules set out in Article 4 and the redemption in kind is executed on the basis of the first net asset value following the acceptance of the securities concerned.

They are settled by the issuer-account holder within five days following the unit valuation day.

However, if, in exceptional circumstances, a redemption necessitates the prior disposal of assets included in the fund, this deadline may be extended to a maximum of 30 days.

In the case of inheritance or living gift, the sale or transfer of units between unitholders, or between unitholders and a third party, is akin to a redemption followed by a subscription. If a third party is involved, the amount of the sale or transfer must, if necessary, be supplemented by the beneficiary to reach at least the minimum subscription required by the prospectus.

Pursuant to Article L. 214-8-7 of the French Monetary and Financial Code, the redemption by the Fund of its units, and the issue of new units, may be suspended on a temporary basis by the management company when exceptional circumstances and the interests of unitholders so require.

If the net assets of the Fund are less than the amount set by the regulations, no redemptions of units may be carried out.

Minimum subscription terms may apply, in accordance with the procedures set out in the prospectus.

The Fund may cease to issue units, temporarily or permanently, in part or in whole, in accordance with Article L. 214-8-7, paragraph three, of the French Monetary and Financial Code, when objective circumstances entail the Fund's closure to further subscriptions, e.g. when a maximum number of units or shares has been issued, a maximum level of assets has been reached, or a specified subscription period has expired.

If this tool is triggered, existing unitholders shall be notified by any means of its activation as well as of the threshold and objective circumstances that led to the full or partial closure. In the event of a partial closure, this notification by any means shall explicitly specify the conditions under which existing unitholders may continue to subscribe for the duration of this partial closure. Unitholders shall also be notified by any means of the decision of the Fund or the management company to either terminate the total or partial closure to further subscriptions (when it falls below the trigger threshold), or to not terminate it (in the event of a change to the threshold or to the objective circumstances that led to the implementation of this tool). Changes to the objective circumstances invoked or to the trigger threshold of the tool must always be made in the interests of the unitholders. The notification by any means shall specify the precise reasons for these changes.

Article 4 – CALCULATION OF THE NET ASSET VALUE

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

Capital contributions in kind may only include securities, stocks or contracts that are eligible to be Fund assets, and they are valued in accordance with the same rules that apply to the calculation of the net asset value.

PART 2 OPERATION OF THE FUND

Article 5 – MANAGEMENT COMPANY

The management of the Fund is carried out by the management company in accordance with the strategy defined for the Fund.

The management company acts in all circumstances in the exclusive interest of the unitholders and has sole voting rights attached to the securities included in the Fund.

Article 5a – OPERATIONAL RULES

Eligible deposits and instruments for the Fund's assets and the investment rules are described in the prospectus.

Article 5b – ADMISSION TO TRADING ON A REGULATED AND/OR A MULTILATERAL TRADING FACILITY

Units may be admitted to trading on a regulated market and/or a multilateral trading facility in accordance with the regulations in force. In instances where the Fund has a management objective based on an index and its units are admitted to trading on a regulated market, the Fund is required to have a system in place to ensure that the price of its units does not deviate significantly from its net asset value.

Article 6 – CUSTODIAN

The custodian shall perform the duties incumbent upon it under the statutory and regulatory provisions in force, as well as those contractually entrusted to it by the management company. It must also verify the legality of decisions taken by the portfolio management company. It undertakes, if necessary, all protective measures that it considers useful. If a dispute arises with the management company, it shall inform the Autorité des Marchés Financiers (French Financial Markets Authority – “AMF”).

If the Fund is a feeder fund, the custodian will therefore have concluded an information-exchange agreement with the custodian of the parent fund (or, as the case may be, if it is also custodian of the parent fund, it issues appropriate specifications).

Article 7 – STATUTORY AUDITOR

A statutory auditor is appointed for six financial years, subject to the approval of the AMF, by the governance body of the management company.

It certifies the accuracy and reliability of the financial statements.

The statutory auditor's mandate may be renewed.

The statutory auditor is required to notify the AMF at the earliest opportunity of any act or decision involving the undertaking for collective investment in transferable securities, of which he became aware during the performance of his duties which could:

1. Constitute a breach of legislative or regulatory provisions applicable to the Fund and which is likely to have a significant impact on its financial position, earnings or assets;
2. Have an adverse effect on its operating conditions or the continuity of its operations;
3. Lead to the expression of reservations or the refusal to certify the financial statements.

The valuation of assets and determination of exchange ratios in transformation operations, mergers or demergers are performed under the supervision of the statutory auditor.

He is responsible for valuing all contributions in kind, except in the case of redemptions in kind for an ETF on the primary market.

He checks the composition of the assets and other details prior to publication.

The auditor's fees are set by mutual agreement between the auditor and the Board of Directors or management board of the management company, based on the programme of work considered necessary to carry out the appropriate audit.

He certifies the balances that serve as a basis for distributions.

If the Fund is a feeder fund,

- The auditor concludes an information exchange agreement with the auditor for the parent fund.

- If he is the statutory auditor for the feeder fund and the parent fund, he shall draw up an appropriate programme of work.

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

Article 8 – MANAGEMENT REPORT AND FINANCIAL STATEMENTS

At each financial year end, the management company prepares summary documents and draws up a report on the management of the Fund during the year just ended.

The management company establishes, at least every six months and under the supervision of the custodian, an inventory of the assets of the UCI.

The management company makes these documents available to unitholders within four months of the end of the financial year and informs them of the amount of income to which each unitholder is entitled: these documents are sent by post if expressly requested by unitholders, otherwise they are made available at the registered office of the management company.

PART 3 METHODS FOR ALLOCATING DISTRIBUTABLE INCOME

Article 9 – METHODS FOR ALLOCATING DISTRIBUTABLE INCOME

The net profit for the financial year is equal to the amount of interest, arrears, dividends, premiums, attendance fees and all other income relating to the securities constituting the portfolio of the Fund, plus temporary distributable earnings, and minus management fees and borrowing costs.

The distributable income of an undertaking for collective investment in transferable securities is made up of:

1. – Net profit plus retained earnings brought forward, plus or minus accruals;
2. – Realised capital gains, net of fees, minus realised capital losses, net of fees, recorded over the course of the financial year, plus net capital gains of the same type recorded over the course of previous financial years that have not been distributed or accumulated, and plus or minus accrued capital gains.

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

The distributable income is to be paid no more than five months after the end of the financial year.

The management company determines the distribution of distributable income.

For each unit class, the Fund may opt for one of the following:

- Pure accumulation: the distributable amounts are fully capitalised with the exception of any distributions that are mandatory by Law;
- Pure distribution: the amounts are fully distributed to the nearest round figure; interim dividends may be distributed.
- For funds that wish to retain the capacity to accumulate and/or distribute. The management company determines the earnings appropriation each year.

Where applicable, it may be distributed from the interim dividends in compliance with the applicable regulations.

The full distributable income appropriation methods are outlined in the prospectus.

PART 4

MERGER – DEMERGER – DISSOLUTION - LIQUIDATION

Article 10 - MERGER – DEMERGER

The management company may contribute all or part of the assets of the Fund to another fund, or split the Fund into two or more other mutual funds.

Unitholders must be given at least one month's prior notice of such a merger or demerger.

They must also receive a new certificate specifying the number of units held by each unitholder.

Article 11 - DISSOLUTION– EXTENSION

If, for 30 days, the Fund's assets remain below the amount specified in Article 2 above, the management company must inform the AMF thereof and must merge with another fund or be dissolved.

The management company may dissolve the Fund early. It must inform the unitholders of its decision and from that date, subscription or redemption requests will no longer be accepted.

The management company shall also dissolve the Fund if a redemption request is for all the units of the Fund, if the custodian ceases operating without a replacement custodian having been appointed, or at the expiry of the Fund's term if it has not been extended.

The management company informs the AMF by post of the liquidation date and the liquidation procedure used. It then sends the statutory auditor's report to the AMF.

An extension to the Fund's existing term may be decided by the management company in agreement with the custodian. Its decision must be made no later than three months before the expiry of the Fund's existing term, and unitholders as well as the AMF must be notified thereof.

Article 12 - LIQUIDATION

If the fund is dissolved, the management company or the custodian shall agree to be responsible for the liquidation proceedings; if this is not the case, the liquidator shall be appointed by the courts at the request of any interested party. For this purpose, they shall receive broader powers to sell the fund's assets, settle liabilities, if any, and allocate the balance in cash or in securities to the unitholders.

The statutory auditor and the custodian continue to exercise their functions until the liquidation operations are completed.

PART 5 DISPUTES

Article 13 - JURISDICTION – CHOICE OF RESIDENCE

Any disputes relating to the Fund that may arise during the term of the Fund or at its liquidation, either between unitholders themselves, or between the unitholders and the management company or the custodian, are subject to the jurisdiction of the competent courts.
