

CARMIGNAC PATRIMOINE

French UCITS

Prospectus

February 2014

1. GENERAL CHARACTERISTICS

STRUCTURE OF THE FUND

French Mutual Fund (FCP)

Name

CARMIGNAC PATRIMOINE

Legal form and Member State in which the fund was established

French mutual fund (*Fonds Commun de Placement* – FCP) established in France in compliance with European standards (Directive 2009/65 CEE)

Creation date and intended lifetime

The Fund was approved by the AMF (formerly COB) on 3 November 2004. It was launched on 3 January 2005 for a period of 99 years (ninety nine years).

Fund overview

Unit classes	Initial net asset value	ISIN code	Allocation of distributable income	Base currency	Target subscribers	Minimum initial subscription*	Minimum subsequent subscription*
A EUR acc	EUR 762.24	FR0010135103	Accumulation	EURO	All investors	1 unit	0.100 unit
A EUR Y dis	EUR 100	FR0011269588	Distribution	EURO	All investors	EUR 1,000	EUR 1,000
E EUR acc	EUR 100	FR0010306142	Accumulation	EURO	All investors	1 unit	1 unit
F GBP acc Hdg	GBP 100	FR0010956649	Accumulation	GBP (hedged)	Reserved for investors resident in the United Kingdom, Switzerland and Luxembourg	1 unit	1 unit
A CHF acc Hdg	CHF 100	FR0011269596	Accumulation	CHF (hedged)	All investors	CHF 1,000	CHF 1,000
A USD acc Hdg	USD 100	FR0011269067	Accumulation	USD (hedged)	All investors	USD 1,000	USD 1,000
F GBP Qdis Hdg	GBP 100	FR0011269075	Distribution	GBP (hedged)	Reserved for investors resident in the United Kingdom, Switzerland and Luxembourg	GBP 1,000	GBP 1,000
A JPY Inc	JPY 10,000	FR0011443852	Distribution	JPY (hedged)	All investors	JPY 25,000,000,000	1 unit
B JPY Inc	JPY 10,000	FR0011443860	Distribution	JPY	All investors	JPY 25,000,000,000	1 unit

Hedged units are hedged against currency risk.

* The minimum initial subscription amount does not apply to entities belonging to the Carmignac group or to funds that it manages.

Address at which the latest annual and semi-annual reports can be obtained

The latest annual and semi-annual reports shall be sent to unitholders within one week upon written request to:

CARMIGNAC GESTION, 24, place Vendôme, 75001 PARIS

Contact: Marketing and communications

Tel: 33 (0)1.42.86.53.35

Fax: 33 (0)1.42.86.52.10

The prospectus is available on the website: www.carmignac.com

The AMF website (www.amf-france.org) contains additional information on the list of regulatory documents and all the provisions relating to investor protection.

2. DIRECTORY

Management Company

Carmignac Gestion, a *société anonyme* (public limited company), 24 place Vendôme, 75001 Paris, with COB approval dated 13 March 1997 under number GP 97-08.

Custodian

CACEIS BANK FRANCE, a *société anonyme* (public limited company) with a Board of Directors and credit institution approved by the CECEI, 1-3 Place Valhubert, 75013 Paris

Centralising agent

a) Centralising agent for subscription and redemption requests as delegated by the Management Company

CACEIS BANK FRANCE, a *société anonyme* (public limited company) with a Board of Directors.
A credit institution approved by the CECEI, 1-3 Place Valhubert, 75013 PARIS.

b) Other establishments responsible for receiving subscription and redemption requests

CACEIS BANK LUXEMBOURG (Pre-centralising agent)
5, Allée Scheffer
L-2520 LUXEMBOURG

Institutions responsible for ensuring compliance with the centralisation cut-off time

CACEIS BANK FRANCE, a *société anonyme* (public limited company) with a Board of Directors, 1-3 Place Valhubert, 75013 Paris
And Carmignac Gestion, *société anonyme* (public limited company), 24, place Vendôme, 75001 Paris

Registrars

CACEIS BANK FRANCE, a *société anonyme* (public limited company) with a Board of Directors, 1-3 Place Valhubert, 75013 Paris

Statutory Auditors

Cabinet VIZZAVONA, 22 avenue Bugeaud, 75116 Paris
Authorised signatory: Mr Robert MIRRI
And KPMG AUDIT, 1 Cours Valmy, 92923 Paris La Défense Cedex

Promoter

Carmignac Gestion, *société anonyme* (public limited company), 24, place Vendôme, 75001 Paris

Accounting delegated to

CACEIS Fund Administration, *société anonyme* (public limited company), 1-3 Place Valhubert, 75013 Paris

3. OPERATING AND MANAGEMENT PROCEDURES

GENERAL CHARACTERISTICS

Characteristics of the units and shares

Each unitholder has a co-ownership right in and to the assets of the fund proportional to the number of units they hold.

CACEIS BANK FRANCE assumes the role of custodian.

Units are admitted for trading by Euroclear France.

Specific characteristics of an FCP: no voting rights are attributed to the ownership of units; all decisions are taken by the management company. Unitholders may subscribe and redeem thousandths of units, excluding units denominated in Japanese yen, for which investors may only subscribe or redeem a minimum of one unit.

Units are issued in bearer or administered registered form. They may not be issued in pure registered form.

Year-end

The accounting year ends on the date of the last net asset value of the month of December.

Tax regime

Investors are reminded that the information that follows only constitutes a general overview of the French tax regime applicable to investments in a French accumulation fund according to current French legislation. Investors are therefore advised to assess their personal situation with their usual tax adviser.

At Fund level

Due to their co-ownership structure, FCPs are not subject to corporation tax in France; they therefore enjoy a certain level of transparency. Therefore, income received and earned by the fund in the course of its investment activities is not taxable at this level.

Abroad (in the investment countries of the fund), gains realised on the sale of foreign transferable securities and foreign income received by the fund in connection with its investment activities may in some cases be taxable (generally in the form of withholding tax). Foreign taxes may, in limited cases, be reduced or waived if any tax treaties apply.

At unitholder level

- Unitholders resident in France

Gains or losses realised by the FCP, income distributed by the FCP as well as gains or losses recorded by the unitholder are subject to the applicable tax regime.

- Unitholders resident outside France

Subject to tax treaties, taxes imposed in article 150-0 A of the *Code Général des Impôts* (CGI), the French General Tax Code, do not apply to gains realised at the time of the redemption or sale of units of the fund by persons who are not resident in France for tax purposes within the meaning of article 4 B of the CGI, or whose registered office is located outside France, provided that these persons have not directly or indirectly held more than 25% of the units at any time in the five years prior to the redemption or sale of their units (CGI, article 244a C).

Unitholders resident outside France shall be subject to the provisions of the tax legislation in force in their countries of residence.

Redemption of units followed by a subscription

As the FCP consists of seven unit classes, a conversion from one unit class by means of a redemption followed by a subscription of another unit class constitutes, from a tax point of view, a sale in return for payment of a consideration likely to generate a taxable gain.

SPECIFIC PROVISIONS**ISIN codes**

Unit classes	ISIN codes
A EUR acc	FR0010135103
A EUR Ydis	FR0011269588
E EUR acc	FR0010306142
F GBP acc Hdg	FR0010956649
F GBP Qdis Hdg	FR0011269075
A CHF acc Hdg	FR0011269596
A USD acc Hdg	FR0011269067
A JPY inc	FR0011443852.
B JPY inc	FR0011443860

Classification

Balanced

Investment objective

The fund's objective is to outperform its reference indicator over a recommended investment horizon of 3 years.

Benchmark index

The reference indicator is composed of the following indices:

- 50% MSCI AC WORLD NR (USD) (the MSCI global international equities index), calculated with net dividends reinvested and
- 50% Citigroup WGBI All Maturities Eur (the world bond index), calculated with coupons reinvested.

The indices are converted into EUR for EUR units and hedged units, and converted into the reference currency of the unit class for unhedged units. The composite reference indicator is rebalanced each quarter.

This composite index does not strictly define the investment universe but allows investors to assess the performance and risk profile that they can expect when investing in the fund. The market risk of the fund is comparable to that of its reference indicator.

The MSCI AC WORLD NR (USD) index represents the largest international companies in the developed and emerging countries. It is calculated by MSCI in dollars and with dividends reinvested (Bloomberg code: NDUEACWF).

Description of the Citigroup WGBI All Maturities EUR index: the reference indicator of the bond component is the Citigroup WGBI All Maturities EUR index. It is calculated in euro with coupons reinvested by Citigroup (Bloomberg code: SBWGEU).

Investment strategies**Strategies used**

The investment policy takes into account the principle of risk spreading by means of the diversification of investments.

The allocation of the portfolio between the different asset classes and fund categories (equities, balanced, bonds, money market, etc.) based on fundamental analysis of the global macroeconomic environment and of its indicators (growth, inflation, deficits, etc.) may vary according to the manager's expectations.

As the fund is managed on an active, discretionary basis, its asset allocation may differ substantially from that of its reference indicator. Likewise, the portfolio established in each of the asset classes on the basis of detailed financial analysis may vary considerably from the weightings of the reference indicator in terms of geographical zones, sectors, ratings and maturities.

Stock selection is based on detailed financial analysis, meetings organised by companies, visits to these companies and daily news. Depending on the situation, the criteria used for stock selection are the value of the assets, return, growth and quality of the management, in particular.

The manager's decisions regarding exposure to foreign exchange risk will be made on the basis of a global macroeconomic analysis, in particular of the outlook for growth, inflation and monetary and fiscal policy of the different economic zones and countries.

The manager may also take positions for the purpose of hedging units denominated in currencies other than the euro against currency risk by using over-the-counter forward exchange contracts.

Description of the asset classes**Debt securities and money market instruments**

The fund's net assets are between 50% and 100% invested in eurozone, international and emerging money market instruments, treasury bills, government and/or private fixed and/or floating rate bonds and inflation-linked bonds (exposure to emerging countries may not exceed 25% of the net assets).

The overall modified duration of the fixed income portfolio may differ considerably from that of the reference indicator. Modified duration is defined as the change in portfolio capital (as %) for a change in interest rates of 100 basis points. The fund's modified duration may range from -4 to +10.

The weighted average rating of the bonds held directly by the Fund or through investment in funds shall be at least investment grade according to at least one of the major rating agencies.

The fund may invest in unrated bonds or those with a rating below investment grade.

There are no restrictions in terms of duration or allocation between private and public issuers.

Equities

Up to 50% of the net assets of the fund is exposed to equities and other securities giving or capable of giving direct or indirect access to capital or voting rights and traded on eurozone and/or international markets. The fund may be exposed to emerging market equities (within the limit of 25% of the net assets).

The net assets of the fund may be invested in small, mid and large caps.

Currencies

The fund may use currencies other than the fund's valuation currency for exposure or hedging purposes. It may invest in futures and options on regulated, organised or over-the-counter markets in order to generate exposure to currencies other than its valuation currency or to hedge the fund against foreign exchange risk. The fund's net currency exposure may differ from that of its reference indicator and/or equity and bond portfolio.

Derivatives

The fund may invest in futures traded on eurozone and international regulated, organised or over-the-counter markets.

With the aim of achieving the investment objective, the fund may take positions to hedge and/or expose the portfolio to industrial sectors and geographical zones, through the following underlying instruments: currencies, bonds/credit, equities (all categories of capitalisation), ETFs, dividends and/or indices (including credit, commodities and volatility indices up to a limit of 10% of net assets for each of the latter two categories).

Portfolio hedging or exposure is performed by buying or selling options (vanilla, barrier, all-or-nothing) and/or futures/forward contracts and/or swaps (including performance swaps).

The fund may use credit derivatives in order to hedge it against or expose it to credit risk through the use of index credit derivatives and single and multiple-issuer credit derivatives. Transactions carried out on the credit derivatives market are limited to 10% of the net assets.

Derivative transactions may be concluded with counterparties selected by the management company in accordance with its "Best Execution/Best Selection" policy and the approval procedure for new counterparties.

The interest rate and equity derivatives markets may only be used to generate leverage amounting to a maximum of 100% of the fund's assets.

Securities with embedded derivatives

The fund may invest in eurozone and/or international convertible bonds, including those of emerging countries in particular.

The fund can invest in securities which include derivatives (particularly warrants, convertible bonds, credit link notes, EMTNs, share purchase warrants) traded on regulated, organised or over-the-counter eurozone and/or international markets.

In all cases, the amounts invested in securities with embedded derivatives may not exceed 10% of the net assets.

UCIs and investment funds

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

- units or shares of French or foreign UCITS;
- units or shares of French or foreign AIFs;
- foreign investment funds,

Provided that the foreign UCITS, AIF or investment fund meets the criteria of article R214-13 of the French Monetary and Financial Code.

The fund may invest in funds managed by Carmignac Gestion.

The FCP may use trackers, listed index funds and exchange traded funds.

Deposits and cash

The fund may use deposits in order to optimise its cash management and to manage the various subscription or redemption settlement dates of the underlying funds. Up to 20% of its assets may be invested in deposits with the same credit institution. This type of operation shall be carried out on an exceptional basis.

The fund may hold cash on an ancillary basis, in particular in order to meet its redemption obligations in relation to investors.

Cash lending is prohibited.

Cash borrowings

The fund may borrow cash in order to optimise its cash management and to manage the various subscription or redemption settlement dates of the underlying funds. These transactions shall be carried out within the regulatory limits.

Temporary purchase and sale of securities

The fund may carry out temporary purchases/sales of securities in order to optimise its income, invest its cash or adjust the portfolio in view of changes in the assets under management. The fund may carry out the following:

- Securities repurchase and reverse repurchase transactions;
- Securities lending/borrowing.

Any temporary purchases or sales of securities shall be carried out under market conditions and within regulatory limits. Within the scope of these transactions, the FCP may receive/give financial guarantees (collateral); the section entitled "Collateral management" contains information on how these work and on their characteristics.

Additional information can be found under the heading "Fees and expenses".

Collateral management

Within the scope of OTC derivatives transactions and temporary purchases/sales of securities, the FCP may receive financial assets constituting guarantees with the objective of reducing its exposure to counterparty risk.

The financial guarantees received shall primarily take the form of cash, in the case of OTC derivatives transactions, and cash and eligible government bonds, in the case of temporary purchases/sales of securities.

The counterparty risk involved in OTC derivatives transactions and that involved in temporary purchases/sales of securities may not, in aggregate, exceed 10% of the FCP's net assets where the counterparty is one of the credit institutions defined in the regulations in force, or 5% of its net assets in all other cases.

In this regard, any financial guarantee (collateral) received and serving to reduce counterparty risk exposure shall comply with the following:

- it shall take the form of cash or bonds issued or guaranteed by OECD member states, by their regional public authorities or by supranational institutions and bodies with EU, regional or worldwide scope;
- it shall be held by the Custodian of the fund or by one of its agents or a third party under its supervision or by any third-party custodian subject to prudential supervision and which is not linked in any way to the provider of the financial guarantees;
- in accordance with the regulations in force, they shall at all times fulfil liquidity, valuation, issuer credit rating, correlation and diversification criteria, and exposure to any given issuer shall not exceed 20% of the net assets.
- Financial guarantees received in the form of cash shall be mainly deposited with eligible entities and/or used in reverse repurchase transactions, and to a lesser extent invested in first-rate government bonds and short-term money market funds.

Government bonds received as collateral shall be subject to a discount of between 1% and 10%.

Risk profile

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

The risk profile of the fund is suitable for an investment horizon of over 3 years.

Potential investors should be aware that the value of the fund's assets is subject to the fluctuations of the international equity, bond and currency markets and that it may vary substantially.

The risk factors described below are not exhaustive. It is up to each investor to analyse the risk associated with such an investment and to form his/her own opinion independent of CARMIGNAC GESTION, where necessary seeking the opinion of any advisers specialised in such matters in order to ensure that this investment is appropriate in relation to his/her financial situation.

Risk of capital loss: the FCP does not guarantee or protect the capital invested.

Equity risk: 0% to 50% of the fund's net assets is exposed to the equity risk of the eurozone, international and emerging markets through investments in financial instruments. Furthermore, regarding the small and mid-cap markets, the volume of stocks listed on the stock exchange is relatively low; market downturns are therefore more acute and more abrupt than for large caps. The net asset value of the fund may therefore decline rapidly and significantly.

Risk related to currency exposure: Exposure is calculated as the sum of the absolute values of net exposure in each currency. Currency appreciations or depreciations may cause the net asset value to fall

Interest rate risk: Interest rate risk results in a decline in the net asset value in the event of a rise in interest rates. When the modified duration of the portfolio is positive, a rise in interest rates may lead to a reduction in the value of the portfolio. When the modified duration of the portfolio is negative, a fall in interest rates may lead to a reduction in the value of the portfolio.

Emerging markets risk: the operating and supervision conditions of these markets may deviate from the standards prevailing on the large international markets.

Credit risk: The fund is invested in securities rated investment grade and in high yield bonds. Credit risk is the risk that the issuer may default. Should the quality of corporate bond issuers decline, for example in the event of a downgrade in their rating by the financial rating agencies, the value of the corporate bonds or even the derivatives linked to the issuer of such bonds (Credit Default Swaps) may fall. The net asset value of the fund may decrease.

Furthermore, a more specific credit risk linked to the use of credit derivatives, such as credit default swaps, exists.

The table below shows the situations in which the use of credit default swaps presents a risk:

Holding the underlying of the CDS	Aim of the manager's use of the CDS	Existence of credit risk
YES	Sell protection	Yes, in the event of the downgrading of the issuer of the underlying security
YES	Purchase protection	Yes, depending on the nature of the issuer's default
NO	Sell protection	Yes, in the event of the downgrading of the issuer of the underlying security
NO	Purchase protection	Yes, in the event of the downgrading of the issuer of the underlying security

This credit risk is controlled by a qualitative analysis carried out by the team of credit analysts on the evaluation of companies' solvency.

Currency risk: currency risk is linked to exposure – through investments and the use of forward financial instruments – to a currency other than the fund's valuation currency. For units denominated in a currency other than the euro, the currency risk linked to fluctuations in the euro versus the valuation currency is residual thanks to systematic hedging. This hedging may generate a performance differential between units in different currencies.

Volatility risk: the increase or decrease in volatility may lead to a fall in net asset value. The fund is exposed to this risk, particularly through derivative products with volatility as the underlying instrument.

Risk associated with commodities indices: changes in commodity prices and the volatility of the sector may cause the net asset value to fall.

Liquidity risk: the markets in which the FCP participates may occasionally be subject to temporary illiquidity. These market distortions may have an impact on the pricing conditions under which the FCP might be caused to liquidate, initiate or modify its positions.

Risk associated with discretionary management: discretionary management is based on the expected evolution of the financial markets. The FCP's performance will depend on the companies selected by the management company. There is a risk that the management company may not invest in the best performing companies.

Counterparty risk: counterparty risk arises from all the OTC financial contracts concluded with a single counterparty, such as temporary purchases/sales of securities and any other derivative contract concluded over the counter. Counterparty risk measures the risk of loss incurred by the fund due to a counterparty in a transaction defaulting on its obligations before the definitive settlement of the transaction via financial flows. In order to reduce the fund's exposure to counterparty risk, the management company may establish a financial guarantee in favour of the fund.

Target investors

Units of this fund have not been registered in accordance with the US Securities Act of 1933. They may therefore not be offered or sold, either directly or indirectly on behalf of or for the benefit of a US person, as defined in Regulation S. Furthermore, units of this fund may not be offered or sold, either directly or indirectly, to US persons and/or to any entities held by one or more US persons as defined by the US Foreign Account Tax Compliance Act (FATCA).

Aside from this exception, the FCP is open to all investors, excluding units denominated in pounds sterling which are reserved for investors resident in the United Kingdom, Switzerland and Luxembourg.

The FCP may be used within unit-linked life insurance policies.

The appropriate investment amount depends on your personal situation. To determine their level of investment, investors are invited to seek professional advice in order to diversify their investments and to determine the proportion of their financial portfolio or their assets to be invested in this FCP relative to, more specifically, the recommended investment period and exposure to the aforementioned risks, their personal assets, needs and own objectives.

The recommended minimum investment period is three years.

Allocation of distributable income

Distributable income	Acc units	Dis units
Allocation of net income	Accumulation (dividends are recorded on an accruals basis.)	Distributed or carried forward as decided by the management company
Allocation of net realised capital gains or losses	Accumulation (dividends are recorded on an accruals basis.)	Distributed or carried forward as decided by the management company

Frequency of distributions

No dividends are distributed for accumulation units.

With regard to distribution units, the portion on which distributable income is payable shall be decided by the management company and is paid:

- annually on Ydis units
- half-yearly on units denominated in yen,
- quarterly on Qdis units

Payment of distributable income is made annually within five months of the financial year-end.

Payment of distributable income payable quarterly is made within one month of the end of each calendar quarter.

Payment of distributable income payable half-yearly is made in April and October.

Characteristics of the units

EUR units are denominated in euro. Thousandths of units may be issued.

GBP units are denominated in pound sterling, CHF units in Swiss francs and USD units in US dollars. Thousandths of units may be issued.

A JPY inc and B JPY inc units are denominated in Japanese yen. These may not be fractioned. Thus, orders expressed as an amount will be processed as follows: in the case of subscriptions of units expressed as an amount, the number of subscribed units will be rounded down to the nearest unit, and in the case of redemptions of units expressed as an amount, the number of units redeemed will be rounded up to the nearest unit.

Hedged units are hedged against currency risk.

Subscription and redemption procedures

Date and frequency of the net asset value

The NAV is calculated daily, except on French public holidays.

Terms and conditions of subscriptions and redemptions

Subscription and redemption requests are centralised on each NAV calculation and publication day (D) before 18:00 (CET/CEST), and are executed on the next business day on the basis of the net asset value calculated using the closing price of D and published on D+1.

In some countries, the subscription of shares may be carried out according to the specific procedures authorised by the regulatory authority of the country in question.

Subscriptions and redemptions resulting from a request transmitted after the cut-off time mentioned in the prospectus (late trading) are prohibited. Subscription/redemption requests received by the centralising agent after 18:00 (CET/CEST) shall be considered to have been received on the subsequent net asset value calculation and publication day.

The period between the date the subscription or redemption request is centralised and the settlement date by the custodian to the bearer is:
 three days for all units, except for
 units denominated in pounds sterling (GBP) for which this period is four days
 and units denominated in Japanese yen for which this period is four business days in France and Japan.

Institutions responsible for ensuring compliance with the centralisation cut-off time

CACEIS Bank France, 1-3 place Valhubert, 75013 Paris and CARMIGNAC GESTION, 24, place Vendôme, 75001 Paris

Investors are reminded that requests transmitted to intermediaries other than CACEIS Bank France must take into consideration the fact that the cut-off time for the centralisation of requests applies to said intermediaries vis-à-vis CACEIS Bank France. Consequently, such intermediaries may apply their own cut-off time, which may be earlier than the cut-off time indicated above, in order to take into account the time required to transmit requests to CACEIS Bank France.

Place and methods of publication or communication of the NAV

Carmignac Gestion, Address: 24, place Vendôme, 75001 Paris.

The net asset value announced at 15:00 (CET/CEST) each day shall be used for the calculation of the subscriptions and redemptions received before 18:00 (CET/CEST) on the previous day.

The net asset value is available 24 hours per day on the following number, +33 (0)1 42 61 62 00, and is displayed at the offices of CARMIGNAC GESTION and/or on the CARMIGNAC GESTION website: www.carmignac.com

Fees and expenses

Subscription and redemption fees

Subscription fees increase the subscription price paid by the investor, while redemption fees decrease the redemption price.

Expenses payable by the investor, deducted at the time of subscriptions and redemptions	Basis	Rate
Maximum subscription fee, inclusive of tax, not payable to the Fund	Net asset value X number of units	A EUR acc unit: 4% A EUR Ydis unit: 4% E EUR acc unit: None A CHF acc unit: 4% A USD acc unit: 4% F GBP acc Hdg unit: 4% F GBP Qdis Hdg unit: 4% A JPY inc units: 4% B JPY inc units: 4%
Subscription fee payable to the fund	net asset value X number of units	None
Redemption fee payable to third parties	Net asset value X number of units	None
Redemption fee payable to the fund	net asset value X number of units	None

Management and administration fees

Management and administration fees include all fees charged directly to the fund except transaction costs (intermediary expenses and transaction fees) and performance fees. These reward the management company if the fund exceeds its objectives.

Fees charged to the fund	Basis	Rate
Management and administration fees inclusive of tax (maximum rate)	Net assets	A EUR acc unit: 1.50% A EUR Ydis unit: 1.50% A USD acc unit: 1.50% A CHF acc unit: 1.50% E EUR acc unit: 2% ⁽¹⁾ F GBP acc Hdg unit: 0.85% F GBP Qdis Hdg unit: 1.00% A JPY inc units: 1%

		B JPY inc units: 1%
Performance fees	Net assets	Maximum 10% of this outperformance when it is established (2)
Transaction fees charged by the management company	Maximum payable per transaction	French stock exchange: 0.3% inclusive of tax per transaction, for bonds: 0.05% inclusive of tax Foreign stock exchange: 0.4% inclusive of tax per transaction, for bonds: 0.05% inclusive of tax

(1) The 2% rate includes a maximum distribution fee of 0.5%, payable to the distributor.

(2) The performance fees are based on the comparison between the performance of each fund unit (except for unhedged units) and the fund's reference indicator over the financial year. Regarding unhedged units, performance fees are calculated on the basis of the unit's performance compared with that of the reference indicator converted into the currency of the unit.

If the performance since the beginning of the financial year is positive and exceeds the performance of the following composite index: 50% MSCI AC WORLD NR (USD) Index, the Morgan Stanley international equity index, and 50% Citigroup WGBI All Maturities EUR, the world bond index, a daily provision of up to 10% of this outperformance is established. In the event of underperformance in relation to this index, a daily amount corresponding to a maximum of 10% of this underperformance is deducted from the provision established since the beginning of the year.

Calculation and distribution of the proceeds of temporary purchases and sales of securities

All income arising from effective portfolio management techniques, net of direct and indirect operating costs, must be returned to the UCITS.

Payments in kind

Carmignac Gestion does not receive payments in kind for its own account or on behalf of third parties as defined in the General Regulation of the *Autorité des marchés financiers* (formerly COB). For further information, please refer to the fund's annual report.

Choice of intermediaries

Carmignac Gestion uses a multi-criteria approach in order to select intermediaries that guarantee the best execution of stock market orders.

The criteria applied are both quantitative and qualitative and depend on the markets for which the intermediaries provide services, in terms of both geographical area and instruments.

The analysis criteria include, inter alia, the availability and proactivity of the intermediary representatives, the financial situation of the intermediaries, their speed, the quality of the processing and execution of orders and intermediary costs.

4. COMMERCIAL INFORMATION

Publication of information about the fund

The latest annual and semi-annual reports shall be sent to unitholders within one week upon written request to: CARMIGNAC GESTION, 24, place Vendôme, 75001 PARIS

Contact: Communications department

Tel: 33 (0)1.70.38.56.85

Fax: 33 (0)1.42.86.52.10

The prospectus is available on the website: www.carmignac.com

Information on taking environmental, social and governance (ESG) criteria into account is available on the www.carmignac.com website, and is included in the annual report.

5. INVESTMENT RULES

The FCP shall respect the regulatory limits applicable to standard coordinated French UCITS under European directive 2009/65/EC as laid down by the French Monetary and Financial Code (Code Monétaire et Financier).

6. OVERALL RISK

Since 29 September 2011, overall risk has been calculated using the relative Value-at-Risk method over a two-year historical horizon with a 99% confidence threshold over 20 days, with the Fund's reference indicator as a benchmark portfolio. The maximum level of gearing envisaged is 2.

6. ASSET VALUATION RULES

Methods used for the valuation of balance sheet items and futures and options

Investments in securities

Securities purchased are recorded at their acquisition price excluding fees, and securities sold are recorded at their sale price excluding fees.

Securities, futures and options held in the portfolio denominated in other currencies are converted into the accounting currency on the basis of exchange rates observed in Paris on the valuation day. The portfolio is valued according to the following methods:

- **French securities**

- on the spot market, deferred settlement system: on the basis of the latest price.

- on the OTC market: based on the latest valuation carried out by the Management Company

French government bonds are valued on the basis of the mid price of a contributor (a primary dealer selected by the French Treasury), supplied by an information server. This price is subject to a reliability check by means of a comparison with the prices of several other primary dealers.

- **Foreign securities**

- listed and registered in Paris: on the basis of the latest price.

- not listed and not registered in Paris: on the basis of the latest price available for those in Europe, and on the basis of the latest price available for the other securities.

Transferable securities whose prices have not been determined on the valuation day, or whose prices have been adjusted, are valued under the responsibility of the management company at their foreseeable sale prices.

- **The funds are valued at the latest redemption price or the latest net asset value available**

They are valued at the latest redemption price or the latest net asset value available.

- **Money market instruments and synthetic assets composed of a money market instrument backed by one or more interest rate and/or currency swaps ("asset swaps")**

For those traded in large volumes and which have a residual maturity greater than 3 months: at the market price on the basis of information feeds sourced from a financial information vendor (Bloomberg, Reuters, etc.).

For those not traded in large volumes and which have a residual maturity greater than 3 months: at the market price on the basis of information feeds sourced from a financial information vendor (Bloomberg, Reuters, etc.) for equivalent money market instruments whose price shall be incremented or decreased, where applicable, by a differential representing the issuer's specific characteristics and by applying an actuarial method.

For those with a residual maturity of 3 months or less: on a straight-line basis.

In the case of a debt security valued at the market price whose residual maturity falls below or is equal to 3 months, the last rate used shall be frozen until the final repayment date, unless the security's modified duration requires valuation at the market price (see the previous paragraph).

- **Temporary purchases and sales of securities in accordance with the terms and conditions provided for in the agreement**

These transactions are valued according to the conditions provided for in the agreement.

Certain fixed income transactions whose maturity is greater than three months may be valued at the market price.

- **Futures and options transactions**

Forward purchases and sales of currencies are valued in consideration of the amortisation of any positive or negative balance carried forward.

Off-balance sheet transactions

Transactions on regulated markets

- **Futures transactions:** these transactions are valued according to the markets on the basis of the settlement price. The commitment is calculated as follows: price of futures contract x nominal value of contract x quantities.

- **Options transactions:** these contracts are valued according to the markets on the basis of the opening price or the settlement price. The commitment is equal to the conversion of the option into the underlying equivalent. It is calculated as follows: delta x quantity x ratio or nominal value of the contract x price of the underlying equivalent.

Transactions on over-the-counter markets

- **Interest rate transactions:** valuation at the market price on the basis of information feeds sourced from a financial information vendor (Bloomberg, Reuters, etc.) and, if necessary, by applying an actuarial method.

- **Interest rate swap transactions:** For those with a residual maturity greater than 3 months: valuation at the market price on the basis of information feeds sourced from a financial information vendor (Bloomberg, Reuters, etc.) and by applying an actuarial method.

- **Backed or non-backed transactions:**

- Fixed rate/Variable rate: nominal value of the contract

- Variable rate/Fixed rate: nominal value of the contract

- For those with a residual maturity of 3 months or less: valued on a straight-line basis.

- In the case of an interest rate swap transaction valued at the market price whose residual maturity is less than or equal to 3 months, the last rate used shall be frozen until the final repayment date, except in the case of modified duration requiring valuation at the market price (see the previous paragraph).

The commitment is calculated as follows:

- Backed transactions: nominal value of the contract

- Non-backed transactions: nominal value of the contract

- **Other transactions on over-the-counter markets**

- Interest rate, foreign exchange or credit transactions: valuation at the market price on the basis of information feeds sourced from a financial information vendor (Bloomberg, Reuters, etc.) and, if necessary, by applying an actuarial method.

- The commitment is shown as follows: nominal value of the contract.

Method used to record interest and income

Income is recorded on an accruals basis.

Accounting currency

The FCP's financial statements are recorded in euro.

MANAGEMENT REGULATIONS OF THE CARMIGNAC PATRIMOINE FCP

TITLE 1: ASSETS AND UNITS

ARTICLE 1 - CO-OWNERSHIP UNITS

The co-owners' rights are represented by units, with each unit corresponding to the same fraction of the fund's assets. Each unitholder has a co-ownership right in and to the assets of the fund proportional to the number of units they hold.

The duration of the fund is 99 years from its creation, except in the cases of early dissolution or extension provided for in these regulations (see article 11).

The characteristics of the various classes of units and their eligibility requirements are described in the FCP's prospectus.

The different classes of units may:

- benefit from different dividend policies; (distribution or accumulation);
- be denominated in different currencies;
- be charged different management fees;
- be charged different subscription and redemption fees;
- have a different par value.
- be systematically hedged against risk, either partially or completely, as described in the prospectus. This hedging is taken out via financial instruments that minimise the impact of hedging transactions on the FCP's other unit classes.

The units may be merged or divided.

The Board of Directors of the management company may decide that the units shall be sub-divided into tenths, hundredths, thousandths or ten thousandths, with such subdivisions being referred to as fractions of units.

The provisions of the regulations governing the issue and redemption of units shall apply to fractions of units, whose value shall always be proportionate to that of the units they represent. Unless otherwise provided, all other provisions of the regulations relating to units shall apply to fractions of units without any need to make a specific provision to that end.

Lastly, the Board of Directors of the management company may decide, at its own discretion, to sub-divide the units by issuing new units, which shall be allocated to unitholders in exchange for their existing units.

ARTICLE 2 - MINIMUM AMOUNT OF ASSETS

Units may not be redeemed if the FCP's assets fall below EUR 300,000; if the assets remain below this amount for a period of 30 days, the management company shall make the necessary provisions to liquidate the funds in question, or to carry out one of the operations mentioned in article 411-16 of the AMF General Regulation (transfer of the fund).

ARTICLE 3 - ISSUE AND REDEMPTION OF UNITS

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

Subscriptions and redemptions are executed under the conditions and according to the procedures defined in the prospectus.

Units of the fund may be admitted to an official stock exchange listing in accordance with the regulations in force.

Subscriptions must be fully paid up on the day the net asset value is calculated. Subscriptions may be made in cash and/or by a contribution in kind in the form of transferable securities. The management company is entitled to refuse any securities offered and, for that purpose, must announce its decision within seven days of the date on which the securities were tendered. If they are accepted, the securities tendered are valued according to the rules laid down in article 4, and the subscription is based on the first net asset value following acceptance of the securities concerned.

Redemptions shall be made solely in cash, except in the event of the liquidation of the fund if unitholders have stated that they agree to be repaid in securities. The redemption price is paid by the custodian within five days of the valuation day of the units.

However, in exceptional circumstances the redemption requires the prior sale of assets held in the fund, this deadline may be extended to a maximum of 30 days.

With the exception of a succession or an inter vivos gift, the sale or transfer of units between unitholders, or unitholders and third parties, is treated as a redemption followed by a subscription; if this involves a third party, the sale or transfer amount must, where applicable, be supplemented by the beneficiary in order to at least reach the minimum subscription amount stipulated by the prospectus.

Pursuant to article L214-24-41 of the French monetary and financial code, the management company may temporarily suspend the redemption of units or the issue of new units by the Fund when exceptional circumstances and the interests of the unitholders so require.

If the net assets of the FCP have fallen below the minimum threshold set by the regulations, no redemptions may be carried out.

A minimum subscription may be applied according to the procedures set out in the prospectus.

The fund manager can restrict or prevent the holding of units by any person or entity not entitled to hold units under the terms of the prospectus (hereinafter, the "Non-eligible Person").

To this end, the management company can:

- (i) refuse to issue any unit if it seems that said issue would or could result in said units being directly or indirectly held by a Non-eligible Person;
- (ii) request that all information which it deems necessary in order to determine whether or not the beneficial owner of the units in question is a Non-eligible Person be provided at any time from any person or entity whose name appears in the register of unitholders, accompanied by a solemn declaration; and
- (iii) if it considers that a person or entity is (i) a Non-eligible Person and, (ii) solely or jointly, the beneficial owner of the units is a Non-eligible Person, proceed with the compulsory redemption of the units held by said unitholder after a period of 10 working days. The compulsory redemption shall be carried out using the last known net asset value, increased if applicable by the applicable charges, fees and commissions, which shall be borne by the Non-eligible Person.

ARTICLE 4 - CALCULATION OF THE NET ASSET VALUE

The net asset value is calculated in accordance with the valuation rules specified in the prospectus

Contributions in kind may comprise only stocks, securities, or contracts admissible as assets of UCITS; they are valued according to valuation rules governing the calculation of the net asset value.

TITLE 2: MANAGEMENT OF THE FUND**ARTICLE 5 - THE MANAGEMENT COMPANY**

The fund is managed by the management company in accordance with the fund's investment objectives.

The management company shall act in all circumstances on behalf of the unitholders and has the exclusive right to exercise the voting rights attached to the securities held in the fund.

ARTICLE 5A - OPERATING RULES

The instruments and deposits in which the fund's assets may be invested, as well as the investment rules, are described in the prospectus.

ARTICLE 6 - THE CUSTODIAN

The custodian carries out the duties incumbent upon it under the legal and regulatory provisions in force as well as those to which it has contractually agreed with the management company. In particular, it must ensure that decisions taken by the portfolio management company are lawful. Where applicable, it must take all protective measures that it deems necessary. In the event of a dispute with the management company, it shall inform the *Autorité des marchés financiers*.

ARTICLE 7 - THE STATUTORY AUDITOR

A statutory auditor is appointed by the Board of Directors of the management company for a term of six financial years, subject to the approval of the *Autorité des marchés financiers*.

The statutory auditor certifies the accuracy and consistency of the financial statements.

The statutory auditor may be re-appointed.

The statutory auditor is obliged to notify the *Autorité des marchés financiers* promptly if, in the course of its duties, it becomes aware of any fact or decision concerning the fund which is liable to:

1. constitute a breach of the legal and regulatory provisions governing this undertaking and is likely to have significant consequences for its financial position, income or assets;
2. impair its continued operation or the conditions thereof;
3. lead to the expression of reservations or a refusal to certify the financial statements

Assets will be valued and exchange ratios will be determined for the purpose of any conversion, merger or split under the statutory auditor's supervision.

The statutory auditor shall assess all contributions in kind under its responsibility.

The statutory auditor shall check the composition of the assets and other information before any publication.

The statutory auditor's fees are determined by mutual agreement between the statutory auditor and the Board of Directors of the management company on the basis of an agenda indicating all duties deemed necessary. The statutory auditor certifies positions serving as the basis for the payment of interim dividends.

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

ARTICLE 8 - THE FINANCIAL STATEMENTS AND THE MANAGEMENT REPORT

At the end of each financial year, the management company prepares the financial statements and a report on the management of the fund during the last financial year.

The management company establishes a list of the FCP's assets at least biannually and under the supervision of the custodian.

The management company shall make these documents available to unitholders within four months of the financial year-end and shall notify them of the amount of income attributable to them: these documents shall be sent by post if expressly requested by the unitholders, or made available to them at the offices of the management company.

TITLE 3: DISTRIBUTION POLICY**ARTICLE 9 - Appropriation of distributable income**

The net income for the financial year is equal to the amount of interest, arrears, dividends, premiums and prizes, directors' fees as well as all proceeds generated by the securities held in the portfolio of the fund, plus income generated by temporary cash holdings, less management fees and borrowing costs.

Distributable income is made up of:

- 1° Net income plus retained earnings, plus or minus the balance of the income equalisation account for the last financial year.
- 2° Realised capital gains, net of expenses, minus realised capital losses, net of expenses, recognised during the financial year, plus net capital gains of a similar nature recognised during previous financial years and which have not been distributed or accumulated, plus or minus the balance of the capital gains equalisation account.

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

Distributable income	Acc units	Dis units
Allocation of net income	Accumulation (dividends are recorded on an accruals basis.)	Distributed or carried forward as decided by the management company
Allocation of net realised capital gains or losses	Accumulation (dividends are recorded on an accruals basis.)	Distributed or carried forward as decided by the management company

Payment of distributable income is made annually within five months of the financial year-end.

Payment of distributable income payable quarterly is made within one month of the end of each calendar quarter.

TITLE 4: MERGER - SPLIT - DISSOLUTION - LIQUIDATION**ARTICLE 10 - MERGER - SPLIT**

The management company may either merge all or part of the assets of the fund with another UCITS under its management or with a UCITS managed by another company, or split the fund into two or more mutual funds under its management.

Such mergers or splits may only be carried out one month after unitholders have been notified. Such mergers or splits give rise to the issue of a new certificate indicating the number of units held by each unitholder.

ARTICLE 11 - DISSOLUTION - EXTENSION

If the assets of the fund remain below the amount set in article 2 above for thirty days, the management company shall inform the AMF and shall dissolve the fund, except in the event of a merger with another fund.

The management company may dissolve the fund before term. It shall inform the unitholders of its decision, after which no further subscription or redemption requests shall be accepted.

The management company shall also dissolve the fund if a request is made for the redemption of all of the units, if the custodian's appointment is terminated and no other custodian has been appointed, or upon expiry of the fund's term, unless such term is extended.

The management company shall inform the AMF by post of the dissolution date and procedure. It shall send the statutory auditor's report to the AMF.

The fund's extension may be decided by the management company subject to the agreement of the custodian. Its decision must be taken at least three months before the expiry of the fund's term and must be notified to the unitholders and the AMF.

ARTICLE 12 - LIQUIDATION

In the event of dissolution, the management company or custodian (with its approval) shall act as liquidator. Otherwise, the liquidator shall be appointed by the court at the request of any interested party. To this end, they shall be granted the broadest powers to realise assets, pay off any creditors and allocate the available balance among the unitholders in the form of cash or securities.

The statutory auditor and the custodian shall continue to carry out their functions until the end of the liquidation.

TITLE 5: DISPUTES

ARTICLE 13 - JURISDICTION - ADDRESS FOR SERVICE

Any disputes relating to the fund that may arise during the term of the fund or during its liquidation, either among the unitholders or between the unitholders and the management company or the custodian, shall be submitted to the courts having jurisdiction.