

# **PROSPECTUS**

## **FRENCH UCITS (FONDS COMMUN DE PLACEMENT)**

### **BG LONG TERM VALUE**

UCITS COMPLIANT WITH EUROPEAN NORMS

Effective date: 10 March 2021

**NON OFFICIAL TRANSLATION – FOR INFORMATION PURPOSES ONLY**

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# KEY INVESTOR INFORMATION DOCUMENT – I UNIT

This document contains key information for the investors in this UCITS. It does not constitute a marketing document. Information is provided in accordance with a legal requirement in order to clarify what an investment in this fund is and what the associated risks are. We advise you to read this document prior to making a decision on whether to invest.

BG LONG TERM VALUE – I UNIT (FR0011001023)

BOUSSARD & GAVAUDAN GESTION

## Investment objectives and strategy

The fund aims to outperform the Euro Stoxx 50 (total return) over a recommended investment horizon of five years.

This fund is an actively managed UCITS for which the composition of the portfolio is at the discretion of the management team. There is no constraint on the level of deviation of the fund's investment portfolio compared to the benchmark index composition.

The investment policy relies on a detailed understanding of the fundamentals and sector dynamics of the companies in which the portfolio is invested and on the expertise of the investment management company in evaluating their listed instruments and trading these instruments.

The UCITS is at all times at least 60% exposed to one or more equity markets in one or more countries of the European Union (including the euro zone markets) and in the United-Kingdom. Eligible to the *Plan d'Epargne en Actions* (PEA), the UCITS is also at least 75% invested in equities of countries of the European Union. Exposure to market risk other than that of the European Union and the United-Kingdom is capped at 30%.

Please note that the investment strategy adopted may lead the management team to:

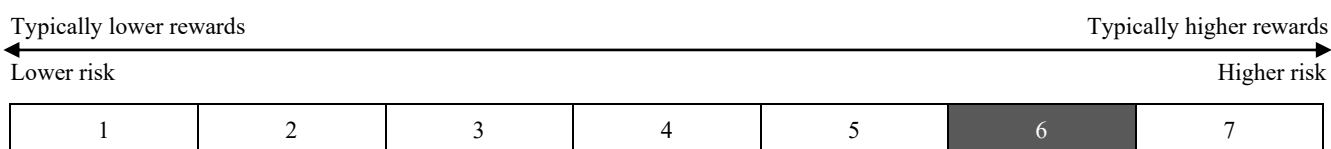
- invest in small and mid cap stocks. These stocks may represent a substantial part in the fund's assets.
- invest up to 25% of the fund's net assets in corporate bonds, in particular sub-investment grade bonds, and in bonds issued by public entities.
- use derivative instruments and embedded derivatives for gaining sufficient market exposure, arbitraging or hedging.

Subscription and redemption orders are processed centrally each day before 02.00pm (Paris time) (except for certain days as described in the prospectus).

All fund income is reinvested.

Trading carried out by the fund may result in a regular turnover of the portfolio. Additional costs are charged by the custodian as transaction fees. No transaction fee is charged by the investment management company.

## Synthetic risk reward indicator



This data is based on the volatility of past results. Historical data used to calculate this synthetic indicator cannot constitute a reliable indication for the future risk profile of the UCITS. Risk class 6 of the synthetic indicator highlights the UCITS's exposure to European equities markets. The potential to make a higher gain is also associated with the risk of a higher loss. Risk class 6 does not preserve capital and may result in a capital loss for the investor. Risk class 1 indicates that the capital is exposed to a lower risk but that the potential gains are also limited; it does not mean that the investment has no risk. Past performance is not a guarantee of future returns. The risk class of this UCITS is not guaranteed and could change over time.

Significant risks in the UCITS not taken into account in this indicator

- The fund may be exposed to credit risk

Credit risk is the risk of losses on a portfolio holding fixed income instruments issued by private sector entities (bonds and negotiable debt securities). Such risk may result in some volatility in the portfolio as the market perception of an increase in such credit risk for a particular issuer in the portfolio would translate into a widening of the spread, and hence a decrease of the price of such issuer's debt security.

- The fund can be exposed to the overexposure risk as it can use leverage up to 2 times its net asset value. This risk results into faster lower net asset value on downward market movements.

## Fees

Fees and commissions payable are used to cover the operating costs of the UCITS including marketing and distribution costs. These fees reduce the potential investment return.

Fees payable by investors once only prior to or after investment	
Subscription fee	3% including tax, not due to the UCITS
Redemption fee	None

The percentage indicated is the maximum that can be charged to your capital before it is invested in the fund. Investors can obtain the exact subscription fee from their adviser or distributor.

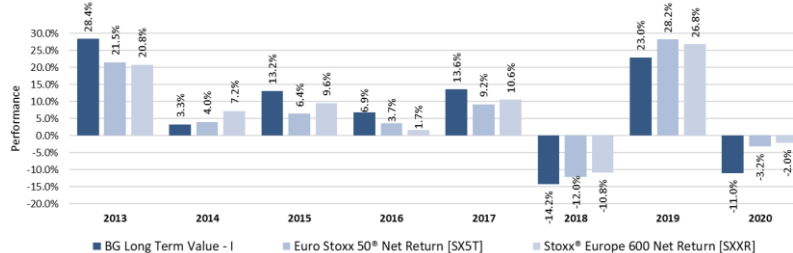
Annual fees charged to the UCITS	
Standard fees	1.14% based on the charges for last financial year ended February 2021

Fees charged to the UCITS under certain circumstances	
Performance fee	15% including tax of the fund's outperformance compared to the best performance between zero, the fund's benchmark index of the management objective and the Stoxx 600 index total return on the base period. Performance fee invoiced for the last financial year: none

These fees are provided for information purposes only as the I Unit has not yet completed a full fiscal year. Fees can vary from year to year. For additional information on fees, see fees and commissions section of the UCITS prospectus available on the website [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com).

Standard fees do not include performance fee or transaction fees except in the case of subscription / redemption fees paid by the UCITS when it buys or sells units of another UCITS. Fees and commissions payable are used to cover the operating costs of the UCITS including marketing and distribution costs. These fees reduce the potential investment return.

### Past performance



- Past performance is not a guarantee of future returns;
- These performances take into account management and performance fees but do not include potential subscription fee;
- UCITS inception date: 15 December 2014 - I Unit inception date: 1 March 2011;
- Currency: euro.

### Useful information

#### Custodian name

RBC Investor Services Bank France

#### Where to find further information on the UCITS

The full prospectus of the UCITS and the annual and interim reports will be sent out within one week upon written request of the unit holder to Boussard & Gavaudan Gestion, 69 boulevard Haussmann 75008 Paris, France - [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com).

#### How to obtain further information, specifically regarding the net asset value

The information on the other existing units is available as above.

#### Type of Investor

All investors except "US persons".

#### Taxation

The fund is eligible for the *Plan d'Epargne Actions* (French tax-free long-term savings scheme). The fund is not subject to company income tax. The tax regime applicable to sums

distributed by the UCITS and capital gains or losses unrealised or realised by the UCITS is dependent on the tax provisions applicable to the particular situation of the investor and/or to the investment jurisdiction to which the fund's investments are subject. Investors who are unsure of their tax position should consult a tax advisor or other person qualified in such matters.

Boussard & Gavaudan Gestion, whilst mindful of its responsibilities, does not accept liability for any information contained in this document that may be misleading, inaccurate or incorrect when compared with the relevant parts of the UCITS prospectus.

The details of the remuneration policy of the management company may be obtained on the web-site: [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com). A copy is available free of charge upon request at the registered office of Boussard & Gavaudan Gestion. The fund is authorised and regulated by the *Autorité des Marché Financiers* in France. Boussard & Gavaudan Gestion is authorised and regulated by the *Autorité des Marché Financiers* in France. Key investor information contained hereunder is accurate and up-to-date on 10 March 2021.

# KEY INVESTOR INFORMATION DOCUMENT – R UNIT

This document contains key information for the investors in this UCITS. It does not constitute a marketing document. Information is provided in accordance with a legal requirement in order to clarify what an investment in this fund is and what the associated risks are. We advise you to read this document prior to making a decision on whether to invest.

BG LONG TERM VALUE – R UNIT (FR0011001049)

BOUSSARD & GAVAUDAN GESTION

## Investment objectives and strategy

The fund aims to outperform the Euro Stoxx 50 (total return) over a recommended investment horizon of five years.

This fund is an actively managed UCITS for which the composition of the portfolio is at the discretion of the management team. There is no constraint on the level of deviation of the fund's investment portfolio compared to the benchmark index composition.

The investment policy relies on a detailed understanding of the fundamentals and sector dynamics of the companies in which the portfolio is invested and on the expertise of the investment management company in evaluating their listed instruments and trading these instruments.

The UCITS is at all times at least 60% exposed to one or more equity markets in one or more countries of the European Union (including the euro zone markets) and in the United-Kingdom. Eligible to the *Plan d'Epargne en Actions* (PEA), the UCITS is also at least 75% invested in equities of countries of the European Union. Exposure to market risk other than that of the European Union and the United-Kingdom is capped at 30%.

Please note that the investment strategy adopted may lead the management team to:

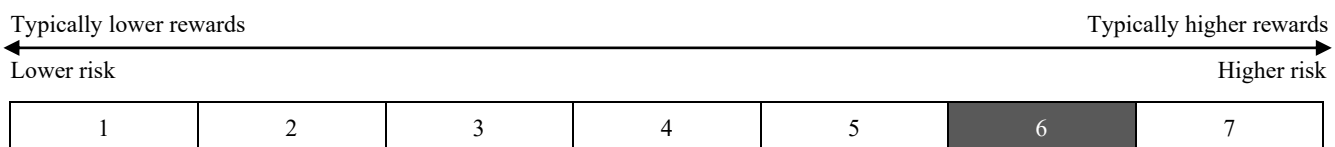
- invest in small and mid cap stocks. These stocks may represent a substantial part in the fund's assets.
- invest up to 25% of the fund's net assets in corporate bonds, in particular sub-investment grade bonds, and in bonds issued by public entities.
- use derivative instruments and embedded derivatives for gaining sufficient market exposure, arbitraging or hedging.

Subscription and redemption orders are processed centrally each day before 02.00pm (Paris time) (except for certain days as described in the prospectus).

All fund income is reinvested.

Trading carried out by the fund may result in a regular turnover of the portfolio. Additional costs are charged by the custodian as transaction fees. No transaction fee is charged by the investment management company.

## Synthetic risk reward indicator



This data is based on the volatility of past results. Historical data used to calculate this synthetic indicator cannot constitute a reliable indication for the future risk profile of the UCITS. Risk class 6 of the synthetic indicator highlights the UCITS's exposure to European equities markets. The potential to make a higher gain is also associated with the risk of a higher loss. Risk class 6 does not preserve capital and may result in a capital loss for the investor. Risk class 1 indicates that the capital is exposed to a lower risk but that the potential gains are also limited; it does not mean that the investment has no risk. Past performance is not a guarantee of future returns. The risk class of this UCITS is not guaranteed and could change over time.

Significant risks in the UCITS not taken into account in this indicator

- The fund may be exposed to credit risk

Credit risk is the risk of losses on a portfolio holding fixed income instruments issued by private sector entities (bonds and negotiable debt securities). Such risk may result in some volatility in the portfolio as the market perception of an increase in such credit risk for a particular issuer in the portfolio would translate into a widening of the spread, and hence a decrease of the price of such issuer's debt security.

- The fund can be exposed to the overexposure risk as it can use leverage up to 2 times its net asset value. This risk results into faster lower net asset value on downward market movements.

## Fees

Fees and commissions payable are used to cover the operating costs of the UCITS including marketing and distribution costs. These fees reduce the potential investment return.

### Fees payable by investors once only prior to or after investment

Subscription fee	3% including tax, not due to the UCITS
Redemption fee	None

The percentage indicated is the maximum that can be charged to your capital before it is invested in the fund. Investors can obtain the exact subscription fee from their adviser or distributor.

### Annual fees charged to the UCITS

Standard fees	2.14% based on the charges for last financial year ended February 2021
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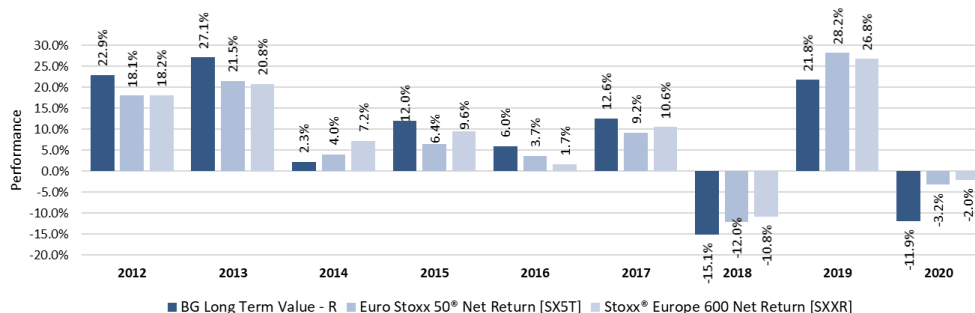
### Fees charged to the UCITS under certain circumstances

Performance fee	15% including tax of the fund's outperformance compared to the best performance between zero, the fund's benchmark index of the management objective and the Stoxx 600 index total return on the base period Performance fee invoiced for the last financial year: none
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These fees are provided for information purposes only as the R Unit has not yet completed a full fiscal year. Fees can vary from year to year. For additional information on fees, see fees and commissions section of the UCITS prospectus available on the website [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com).

Standard fees do not include performance fee or transaction fees except in the case of subscription / redemption fees paid by the UCITS when it buys or sells units of another UCITS. Fees and commissions payable are used to cover the operating costs of the UCITS including marketing and distribution costs. These fees reduce the potential investment return.

### Past performance



- Past performance is not a guarantee of future returns;
- These performances take into account management and performance fees but do not include potential subscription fee;
- UCITS inception date: 15 December 2014 - R Unit inception date: 1 March 2011;
- Currency: euro.

### Useful information

#### Custodian name

RBC Investor Services Bank France

#### Where to find further information on the UCITS

The full prospectus of the UCITS and the annual and interim reports will be sent out within one week upon written request of the unit holder to Boussard & Gavaudan Gestion, 69 boulevard Haussmann 75008 Paris, France - [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com).

#### How to obtain further information, specifically regarding the net asset value

The information on the other existing units is available as above.

#### Type of Investor

All investors except "US persons".

#### Taxation

The fund is eligible for the *Plan d'Epargne Actions* (French tax-free long-term savings scheme). The fund is not subject to company income tax. The tax regime applicable to sums distributed by the UCITS and capital gains or losses unrealised

or realised by the UCITS is dependent on the tax provisions applicable to the particular situation of the investor and/or to the investment jurisdiction to which the fund's investments are subject. Investors who are unsure of their tax position should consult a tax advisor or other person qualified in such matters.

Boussard & Gavaudan Gestion, whilst mindful of its responsibilities, does not accept liability for any information contained in this document that may be misleading, inaccurate or incorrect when compared with the relevant parts of the UCITS prospectus.

The details of the remuneration policy of the management company may be obtained on the web-site: [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com). A copy is available free of charge upon request at the registered office of Boussard & Gavaudan Gestion.

The fund is authorised and regulated by the *Autorité des Marchés Financiers* in France. Boussard & Gavaudan Gestion is authorised and regulated by the *Autorité des Marchés Financiers* in France. Key investor information contained hereunder is accurate and up-to-date on 10 March 2021.

# KEY INVESTOR INFORMATION DOCUMENT – S UNIT

This document contains key information for the investors in this UCITS. It does not constitute a marketing document. Information is provided in accordance with a legal requirement in order to clarify what an investment in this fund is and what the associated risks are. We advise you to read this document prior to making a decision on whether to invest.

BG LONG TERM VALUE – S UNIT (FR0011001056)

BOUSSARD & GAVAUDAN GESTION

## Investment objectives and strategy

The fund aims to outperform the Euro Stoxx 50 (total return) over a recommended investment horizon of five years.

This fund is an actively managed UCITS for which the composition of the portfolio is at the discretion of the management team. There is no constraint on the level of deviation of the fund's investment portfolio compared to the benchmark index composition.

The investment policy relies on a detailed understanding of the fundamentals and sector dynamics of the companies in which the portfolio is invested and on the expertise of the investment management company in evaluating their listed instruments and trading these instruments.

The UCITS is at all times at least 60% exposed to one or more equity markets in one or more countries of the European Union (including the euro zone markets) and in the United-Kingdom. Eligible to the *Plan d'Epargne en Actions* (PEA), the UCITS is also at least 75% invested in equities of countries of the European Union. Exposure to market risk other than that of the European Union and the United-Kingdom is capped at 30%.

Please note that the investment strategy adopted may lead the management team to:

- invest in small and mid cap stocks. These stocks may represent a substantial part in the fund's assets.
- invest up to 25% of the fund's net assets in corporate bonds, in particular sub-investment grade bonds, and in bonds issued by public entities.
- use derivative instruments and embedded derivatives for gaining sufficient market exposure, arbitraging or hedging.

Subscription and redemption orders are processed centrally each day before 02.00pm (Paris time) (except for certain days as described in the prospectus).

All fund income is reinvested.

Trading carried out by the fund may result in a regular turnover of the portfolio. Additional costs are charged by the custodian as transaction fees. No transaction fee is charged by the investment management company.

## Synthetic risk reward indicator

Typically lower rewards ←—————→ Typically higher rewards  
Lower risk ————— Higher risk

1	2	3	4	5	6	7
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This data is based on the volatility of past results. Historical data used to calculate this synthetic indicator cannot constitute a reliable indication for the future risk profile of the UCITS. Risk class 6 of the synthetic indicator highlights the UCITS's exposure to European equities markets. The potential to make a higher gain is also associated with the risk of a higher loss. Risk class 6 does not preserve capital and may result in a capital loss for the investor. Risk class 1 indicates that the capital is exposed to a lower risk but that the potential gains are also limited; it does not mean that the investment has no risk. Past performance is not a guarantee of future returns. The risk class of this UCITS is not guaranteed and could change over time.

Significant risks in the UCITS not taken into account in this indicator

- The fund may be exposed to credit risk

Credit risk is the risk of losses on a portfolio holding fixed income instruments issued by private sector entities (bonds and negotiable debt securities). Such risk may result in some volatility in the portfolio as the market perception of an increase in such credit risk for a particular issuer in the portfolio would translate into a widening of the spread, and hence a decrease of the price of such issuer's debt security.

- The fund can be exposed to the overexposure risk as it can use leverage up to 2 times its net asset value. This risk results into faster lower net asset value on downward market movements.

## Fees

Fees and commissions payable are used to cover the operating costs of the UCITS including marketing and distribution costs. These fees reduce the potential investment return.

### Fees payable by investors once only prior to or after investment

Subscription fee	None
Redemption fee	None

The percentage indicated is the maximum that can be charged to your capital before it is invested in the fund. Investors can obtain the exact subscription fee from their adviser or distributor.

### Annual fees charged to the UCITS

Standard fees	0.64% based on the charges for last financial year ended February 2021
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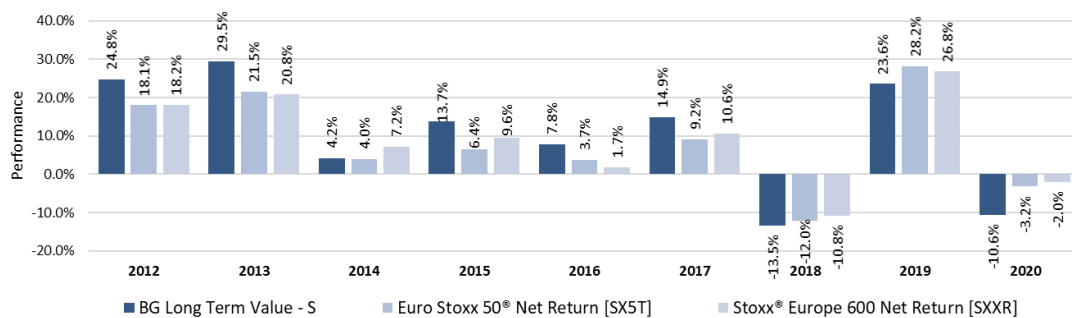
### Fees charged to the UCITS under certain circumstances

Performance fee	None
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These fees are provided for information purposes only as the S Unit has not yet completed a full fiscal year. Fees can vary from year to year. For additional information on fees, see fees and commissions section of the UCITS prospectus available on the website [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com).

Standard fees do not include performance fee or transaction fees except in the case of subscription / redemption fees paid by the UCITS when it buys or sells units of another UCITS. Fees and commissions payable are used to cover the operating costs of the UCITS including marketing and distribution costs. These fees reduce the potential investment return.

## Past performance



- Past performance is not a guarantee of future returns;
- These performances take into account management and performance fees but do not include potential subscription fee;
- UCITS inception date: 15 December 2014 - S Unit inception date: 1 March 2011;
- Currency: euro.

## Useful information

### Custodian name

RBC Investor Services Bank France

### Where to find further information on the UCITS

The full prospectus of the UCITS and the annual and interim reports will be sent out within one week upon written request of the unit holder to Boussard & Gavaudan Gestion, 69 boulevard Haussmann 75008 Paris, France - [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com).

### How to obtain further information, specifically regarding the net asset value

The information on the other existing units is available as above.

### Type of Investor

All investors except "US persons".

### Taxation

The fund is eligible for the *Plan d'Epargne Actions* (French tax-free long-term savings scheme). The fund is not subject to company income tax. The tax regime applicable to sums distributed by the UCITS and capital gains or losses unrealised

or realised by the UCITS is dependent on the tax provisions applicable to the particular situation of the investor and/or to the investment jurisdiction to which the fund's investments are subject. Investors who are unsure of their tax position should consult a tax advisor or other person qualified in such matters.

Boussard & Gavaudan Gestion, whilst mindful of its responsibilities, does not accept liability for any information contained in this document that may be misleading, inaccurate or incorrect when compared with the relevant parts of the UCITS prospectus.

The details of the remuneration policy of the management company may be obtained on the web-site: [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com). A copy is available free of charge upon request at the registered office of Boussard & Gavaudan Gestion.

The fund is authorised and regulated by the Autorité des Marché Financiers in France. Boussard & Gavaudan Gestion is authorised and regulated by the Autorité des Marché Financiers in France. Key investor information contained hereunder is accurate and up-to-date on 10 March 2021.



# KEY INVESTOR INFORMATION DOCUMENT – F UNIT

This document contains key information for the investors in this UCITS. It does not constitute a marketing document. Information is provided in accordance with a legal requirement in order to clarify what an investment in this fund is and what the associated risks are. We advise you to read this document prior to making a decision on whether to invest.

BG LONG TERM VALUE – F UNIT (FR0012768802)

BOUSSARD & GAVAUDAN GESTION

## Investment objectives and strategy

The fund aims to outperform the Euro Stoxx 50 (total return) over a recommended investment horizon of five years.

This fund is an actively managed UCITS for which the composition of the portfolio is at the discretion of the management team. There is no constraint on the level of deviation of the fund's investment portfolio compared to the benchmark index composition.

The investment policy relies on a detailed understanding of the fundamentals and sector dynamics of the companies in which the portfolio is invested and on the expertise of the investment management company in evaluating their listed instruments and trading these instruments.

The UCITS is at all times at least 60% exposed to one or more equity markets in one or more countries of the European Union (including the euro zone markets) and in the United-Kingdom. Eligible to the *Plan d'Epargne en Actions* (PEA), the UCITS is also at least 75% invested in equities of countries of the European Union. Exposure to market risk other than that of the European Union and the United-Kingdom is capped at 30%.

Please note that the investment strategy adopted may lead the management team to:

- invest in small and mid cap stocks. These stocks may represent a substantial part in the fund's assets.
- invest up to 25% of the fund's net assets in corporate bonds, in particular sub-investment grade bonds, and in bonds issued by public entities.
- use derivative instruments and embedded derivatives for gaining sufficient market exposure, arbitraging or hedging.

Subscription and redemption orders are processed centrally each day before 02.00pm (Paris time) (except for certain days as described in the prospectus).

All fund income is reinvested.

Trading carried out by the fund may result in a regular turnover of the portfolio. Additional costs are charged by the custodian as transaction fees. No transaction fee is charged by the investment management company.

## Synthetic risk reward indicator

Typically lower rewards ← Higher risk  
← Lower risk Higher risk → Typically higher rewards

1	2	3	4	5	6	7
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This data is based on the volatility of past results. Historical data used to calculate this synthetic indicator cannot constitute a reliable indication for the future risk profile of the UCITS. Risk class 6 of the synthetic indicator highlights the UCITS's exposure to European equities markets. The potential to make a higher gain is also associated with the risk of a higher loss. Risk class 6 does not preserve capital and may result in a capital loss for the investor. Risk class 1 indicates that the capital is exposed to a lower risk but that the potential gains are also limited; it does not mean that the investment has no risk. Past performance is not a guarantee of future returns. The risk class of this UCITS is not guaranteed and could change over time.

Significant risks in the UCITS not taken into account in this indicator

- The fund may be exposed to credit risk

Credit risk is the risk of losses on a portfolio holding fixed income instruments issued by private sector entities (bonds and negotiable debt securities). Such risk may result in some volatility in the portfolio as the market perception of an increase in such credit risk for a particular issuer in the portfolio would translate into a widening of the spread, and hence a decrease of the price of such issuer's debt security.

- The fund can be exposed to the overexposure risk as it can use leverage up to 2 times its net asset value. This risk results into faster lower net asset value on downward market movements.

## Fees

Fees and commissions payable are used to cover the operating costs of the UCITS including marketing and distribution costs. These fees reduce the potential investment return.

### Fees payable by investors once only prior to or after investment

Subscription fee	None
Redemption fee	None

The percentage indicated is the maximum that can be charged to your capital before it is invested in the fund. Investors can obtain the exact subscription fee from their adviser or distributor.

### Annual fees charged to the UCITS

Standard fees	0.11% based on the charges for last financial year ended February 2021.
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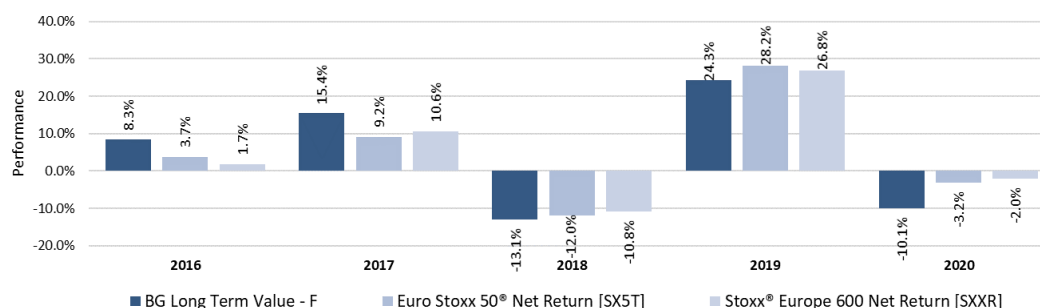
### Fees charged to the UCITS under certain circumstances

Performance fee	None
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Fees can vary from year to year. For additional information on fees, see fees and commissions section of the UCITS prospectus available on the website [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com).

Standard fees do not include performance fee or transaction fees except in the case of subscription / redemption fees paid by the UCITS when it buys or sells units of another UCITS. Fees and commissions payable are used to cover the operating costs of the UCITS including marketing and distribution costs. These fees reduce the potential investment return.

## Past performance



- Past performance is not a guarantee of future returns;
- These performances take into account management and performance fees but do not include potential subscription fee;
- Inception date of the UCITS: 15 December 2004 – F unit inception date: 12 August 2015.
- Labeled currency: euro.

## Useful information

**Custodian name** RBC Investor Services Bank France

### Where to find further information on the UCITS

The full prospectus of the UCITS and the annual and interim reports will be sent out within one week upon written request of the unit holder to Boussard & Gavaudan Gestion, 69 boulevard Haussmann 75008 Paris, France - [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com).

### How to obtain further information, specifically regarding the net asset value

The information on the other existing units is available as above.

### Type of Investor

The UCITS is reserved for the compartment BG Long Term Value of the Luxembourg SICAV Boussard & Gavaudan SICAV (feeder).

### Taxation

The fund is eligible for the *Plan d'Epargne Actions* (French tax-free long-term savings scheme). The fund is not subject to company income tax. The tax regime applicable to sums

distributed by the UCITS and capital gains or losses unrealised or realised by the UCITS is dependent on the tax provisions applicable to the particular situation of the investor and/or to the investment jurisdiction to which the fund's investments are subject. Investors who are unsure of their tax position should consult a tax advisor or other person qualified in such matters.

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The details of the remuneration policy of the management company may be obtained on the web-site: [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com). A copy is available free of charge upon request at the registered office of Boussard & Gavaudan Gestion.

The fund is authorised and regulated by the *Autorité des Marchés Financiers* in France. Boussard & Gavaudan Gestion is authorised and regulated by the *Autorité des Marchés Financiers* in France. Key investor information contained hereunder is accurate and up-to-date on 10 March 2021.



## Fees

Fees and commissions payable are used to cover the operating costs of the UCITS including marketing and distribution costs. These fees reduce the potential investment return.

### Fees payable by investors once only prior to or after investment

Subscription fee	3% including tax, not due to the UCITS
Redemption fee	None

The percentage indicated is the maximum that can be charged to your capital before it is invested in the fund. Investors can obtain the exact subscription fee from their adviser or distributor.

### Annual fees charged to the UCITS

Standard fees	1.14% based on the charges for last financial year ended February 2021.
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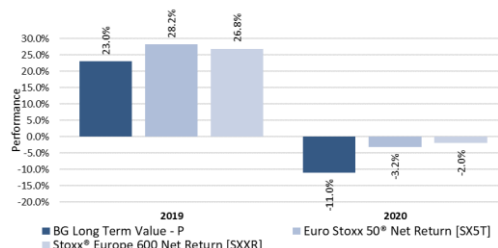
### Fees charged to the UCITS under certain circumstances

Performance fee	15% including tax of the fund's outperformance compared to the best performance between zero, the fund's benchmark index of the management objective and the Stoxx 600 index total return on the base period Performance fee invoiced for the last financial year: none
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Fees can vary from year to year. For additional information on fees, see fees and commissions section of the UCITS prospectus available on the website [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com).

Standard fees do not include performance fee or transaction fees except in the case of subscription / redemption fees paid by the UCITS when it buys or sells units of another UCITS. Fees and commissions payable are used to cover the operating costs of the UCITS including marketing and distribution costs. These fees reduce the potential investment return.

## Past performance



- Past performance is not a guarantee of future returns;
- These performances take into account management and performance fees but do not include potential subscription fee;
- Inception date of the UCITS: 15 December 2004 – P unit inception date: 28 February 2018.
- Labeled currency: euro.

## Useful information

### Custodian name

RBC Investor Services Bank France

### Where to find further information on the UCITS

The full prospectus of the UCITS and the annual and interim reports will be sent out within one week upon written request of the unit holder to Boussard & Gavaudan Gestion, 69 boulevard Haussmann 75008 Paris, France - [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com).

### How to obtain further information, specifically regarding the net asset value

The information on the other existing units is available as above.

### Type of Investor

All investors except "US persons".

### Taxation

The fund is eligible for the *Plan d'Epargne Actions* (French tax-free long-term savings scheme). The fund is not subject to company income tax. The tax regime applicable to sums distributed by the UCITS and capital gains or losses unrealised

or realised by the UCITS is dependent on the tax provisions applicable to the particular situation of the investor and/or to the investment jurisdiction to which the fund's investments are subject. Investors who are unsure of their tax position should consult a tax advisor or other person qualified in such matters.

Boussard & Gavaudan Gestion, whilst mindful of its responsibilities, does not accept liability for any information contained in this document that may be misleading, inaccurate or incorrect when compared with the relevant parts of the UCITS prospectus.

The details of the remuneration policy of the management company may be obtained on the web-site: [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com). A copy is available free of charge upon request at the registered office of Boussard & Gavaudan Gestion.

The fund is authorised and regulated by the *Autorité des Marchés Financiers* in France. Boussard & Gavaudan Gestion is authorised and regulated by the *Autorité des Marchés Financiers* in France. Key investor information contained hereunder is accurate and up-to-date on 10 March 2021.

# KEY INVESTOR INFORMATION DOCUMENT – Z UNIT

This document contains key information for the investors in this UCITS. It does not constitute a marketing document. Information is provided in accordance with a legal requirement in order to clarify what an investment in this fund is and what the associated risks are. We advise you to read this document prior to making a decision on whether to invest.

BG LONG TERM VALUE – Z UNIT (FR0010137646)

BOUSSARD & GAVAUDAN GESTION

## Investment objectives and strategy

The fund aims to outperform the Euro Stoxx 50 (total return) over a recommended investment horizon of five years.

This fund is an actively managed UCITS for which the composition of the portfolio is at the discretion of the management team. There is no constraint on the level of deviation of the fund's investment portfolio compared to the benchmark index composition.

The investment policy relies on a detailed understanding of the fundamentals and sector dynamics of the companies in which the portfolio is invested and on the expertise of the investment management company in evaluating their listed instruments and trading these instruments.

The UCITS is at all times at least 60% exposed to one or more equity markets in one or more countries of the European Union (including the euro zone markets) and in the United-Kingdom. Eligible to the *Plan d'Epargne en Actions* (PEA), the UCITS is also at least 75% invested in equities of countries of the European Union. Exposure to market risk other than that of the European Union and the United-Kingdom is capped at 30%.

Please note that the investment strategy adopted may lead the management team to:

- invest in small and mid cap stocks. These stocks may represent a substantial part in the fund's assets.
- invest up to 25% of the fund's net assets in corporate bonds, in particular sub-investment grade bonds, and in bonds issued by public entities.
- use derivative instruments and embedded derivatives for gaining sufficient market exposure, arbitraging or hedging.

Subscription and redemption orders are processed centrally each day before 02.00pm (Paris time) (except for certain days as described in the prospectus).

All fund income is reinvested.

Trading carried out by the fund may result in a regular turnover of the portfolio. Additional costs are charged by the custodian as transaction fees. No transaction fee is charged by the investment management company.

## Synthetic risk reward indicator

Typically lower rewards ← Higher risk  
← Lower risk Higher risk →

1	2	3	4	5	6	7
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This data is based on the volatility of past results. Historical data used to calculate this synthetic indicator cannot constitute a reliable indication for the future risk profile of the UCITS. Risk class 6 of the synthetic indicator highlights the UCITS's exposure to European equities markets. The potential to make a higher gain is also associated with the risk of a higher loss. Risk class 6 does not preserve capital and may result in a capital loss for the investor. Risk class 1 indicates that the capital is exposed to a lower risk but that the potential gains are also limited; it does not mean that the investment has no risk. Past performance is not a guarantee of future returns. The risk class of this UCITS is not guaranteed and could change over time.

Significant risks in the UCITS not taken into account in this indicator

- The fund may be exposed to credit risk

Credit risk is the risk of losses on a portfolio holding fixed income instruments issued by private sector entities (bonds and negotiable debt securities). Such risk may result in some volatility in the portfolio as the market perception of an increase in such credit risk for a particular issuer in the portfolio would translate into a widening of the spread, and hence a decrease of the price of such issuer's debt security.

- The fund can be exposed to the overexposure risk as it can use leverage up to 2 times its net asset value. This risk results into faster lower net asset value on downward market movements.

## Fees

Fees and commissions payable are used to cover the operating costs of the UCITS including marketing and distribution costs. These fees reduce the potential investment return.

### Fees payable by investors once only prior to or after investment

Subscription fee	3% including tax, not due to the UCITS
Redemption fee	None

The percentage indicated is the maximum that can be charged to your capital before it is invested in the fund. Investors can obtain the exact subscription fee from their adviser or distributor.

### Annual fees charged to the UCITS

Standard fees	2.14% based on the charges for last financial year ended February 2021
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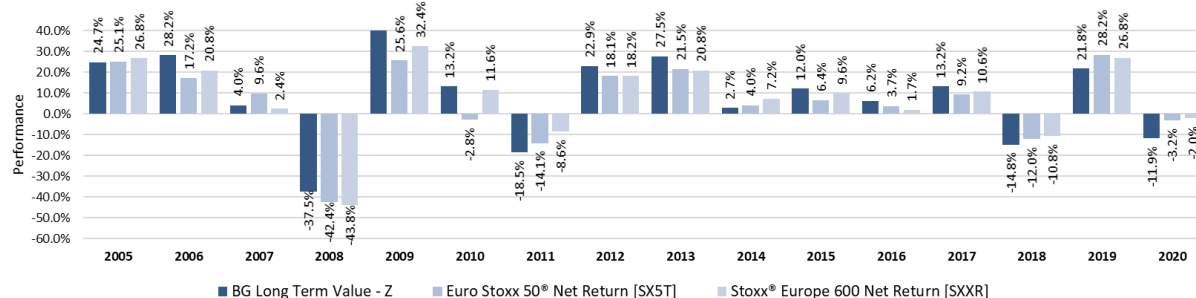
### Fees charged to the UCITS under certain circumstances

Performance fee	None
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These fees are based on the latest fiscal year closed on 28 February 2011. Fees can vary from year to year. For additional information on fees, see fees and commissions section of the UCITS prospectus available on the website [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com).

Standard fees do not include performance fee or transaction fees except in the case of subscription / redemption fees paid by the UCITS when it buys or sells units of another UCITS. Fees and commissions payable are used to cover the operating costs of the UCITS including marketing and distribution costs. These fees reduce the potential investment return.

## Past performance



- Past performance is not a guarantee of future returns;
- These performances take into account management and performance fees but do not include potential subscription fee;
- UCITS inception date: 15 December 2014 - Z Unit inception date: 1 March 2011;
- Currency: euro.

## Useful information

**Custodian name** RBC Investor Services Bank France

### Where to find further information on the UCITS

The full prospectus of the UCITS and the annual and interim reports will be sent out within one week upon written request of the unit holder to Boussard & Gavaudan Gestion, 69 boulevard Haussmann 75008 Paris, France - [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com).

**How to obtain further information, specifically regarding the net asset value** The information on the other existing units is available as above.

**Type of Investor** All investors except "US Persons".

### Taxation

The fund is eligible for the *Plan d'Épargne Actions* (French tax-free long-term savings scheme). The fund is not subject to company income tax. The tax regime applicable to sums distributed by the UCITS and capital gains or losses unrealised or realised by the UCITS is dependent on the tax provisions

applicable to the particular situation of the investor and/or to the investment jurisdiction to which the fund's investments are subject. Investors who are unsure of their tax position should consult a tax advisor or other person qualified in such matters.

Boussard & Gavaudan Gestion, whilst mindful of its responsibilities, does not accept liability for any information contained in this document that may be misleading, inaccurate or incorrect when compared with the relevant parts of the UCITS prospectus.

The details of the remuneration policy of the management company may be obtained on the web-site: [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com). A copy is available free of charge upon request at the registered office of Boussard & Gavaudan Gestion.

The fund is authorised and regulated by the *Autorité des Marchés Financiers* in France. Boussard & Gavaudan Gestion is authorised and regulated by the *Autorité des Marchés Financiers* in France. Key investor information contained hereunder is accurate and up-to-date on 10 March 2021.

# PROSPECTUS

## I – General information

### 1) – Form of the UCITS

#### **a- Name**

BG Long Term Value

#### **b- Legal form and member state in which the UCITS was created**

UCITS under French law (FCP)

#### **c- Launch date and term**

15 December 2004 for a term of 99 years

#### **d- Summary offer**

	<b>R unit</b>	<b>I unit</b>	<b>S unit</b>	<b>F unit</b>	<b>P unit</b>	<b>Z unit</b>
ISIN Code	FR0011001049	FR0011001023	FR0011001056	FR0012768802	FR0013311834	FR0010137646
Allocation of distributable amounts	Net result: Capitalization Plus-Net Values: Capitalization	Net result: Capitalization Plus-Net Values: Capitalization	Net result: Capitalization Plus-Net Values: Capitalization.	Net result: Capitalization Plus-Net Values: Capitalization	Net result: Capitalization Plus-Net Values: Capitalization	Net result: Capitalization Plus-Net Values: Capitalization.
Currency	Euro	Euro	Euro	Euro	Euro	Euro
Target investors	All investors	Particularly to institutional investors	Exclusively for: - The management company and the companies of the BG Group - the BG Group's employees and their family up to the 4th degree of kinship - "seeders"	Exclusively for: - Boussard & Gavaudan SICAV, - Sub-fund BG Long Term Value (feeder share)	Reserved for marketing by financial intermediaries other than the management company specified below (1)	All investors
Minimum subscription	1 unit	1 million euros	1 unit	1 unit	1 unit	1 unit
Minimum additional subscription - redemption	0,01 unit	0,01 unit	0,01 unit	0,01 unit	0.01 unit	0,01 unit
Initial NAV	NAV of the Z unit as of 28 February 2011, 1 836 euros	NAV of the Z unit as of 28 February 2011, 1 836 euros	100 euros	1 000 euros	Net asset value of the R unit on the day of the opening of the	1 000 euros

					securities exchange transaction initiated by the management company	
Subdivision of units	0,01 unit	0,01 unit	0,01 unit	0.01 unit	0.01 unit	0,01 unit

- (1) The subscription of this unit is reserved for investors subscribing via distributors or intermediaries other than the management company :
- a. Subject to national legislation prohibiting all retrocessions to distributors (eg Great Britain and the Netherlands) or
  - b. Providing a service of
    - Council within the meaning of European regulation MIF 2
    - Individual portfolio management under mandate
    - And for which they are remunerated by their clients

### **Where to obtain the latest annual or interim report**

The latest annual reports and the breakdown of the assets will be sent out within eight business days upon written request of the unit holder to:

Boussard & Gavaudan Gestion  
69 boulevard Haussmann  
75008 Paris  
France

For further information, please contact the marketing department of the investment management company:

☎: +33 (0)1 44 90 41 00

✉: info@bgam-fr.com

Some documents are also available on the [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com) website.

## **2) Parties involved**

### **a- Investment management company**

Boussard & Gavaudan Gestion SAS, 69 boulevard Haussmann, 75008 Paris, France.  
Approved by the AMF on 31 March 2003, with registration number GP 03 008.

### **b- Custodian**

RBC Investor Services Bank France, 105 rue Réaumur, 75002 Paris, France.

RBC Investor Services Bank France is a credit institution approved by CECEI, the French banking regulatory authority.

The Custodian carries out the tasks as set forth by applicable regulations.

They comprise the safekeeping of assets, the control of the regularity of the decisions of the management company and the monitoring of the UCITS' cash flows.

The Custodian is independent of the management company.

The description of any delegated custody functions, the list of delegates and sub-delegates of RBC Investor Services Bank France S.A and the information on conflicts of interest likely to result from these delegations are available on the RBC IS Bank Luxembourg SA website via the following links:

*The List of sub-custodians:*

<https://apps.rbcits.com/gmi/globalupdates/view/?id=33923>

*Conflict of Interest Management Policy:*

<https://www.rbcits.com/documents/en/misc/policy-conflicts-of-interest-march-2016.pdf>



Updated information is available to investors, upon request, from the Custodian.

**c- Auditor**

PwC Sellam, represented by Patrick Sellam, PricewaterhouseCoopers Audit, SA - 2, rue Vatimesnil - CS 60003, F-92532 Levallois Perret Cedex. Signatory: Mr Patrick Sellam

**d- Distributor**

Boussard & Gavaudan Gestion SAS, 69 boulevard Haussmann, 75008 Paris, France

**e- Administrator**

RBC Investor Services France, 105 rue Réaumur, 75002 Paris, France.

RBC Investor Services France is responsible for the administration and valuation of the fund, under delegation from Boussard & Gavaudan Gestion.

Boussard & Gavaudan Gestion has not delegated the financial management of the fund.

**f- Advisors**

None

**g- Centralising agent**

RBC Investor Services Bank France, 105 rue Réaumur, 75002 Paris, France.

RBC Investor Services Bank France is responsible for centralised processing of subscription and redemption orders and keeping the register of fund units.

RBC Investor Services Bank France is a credit institution approved by CECEI, the French banking regulatory authority.

## II – Operating and Management Procedures

### 1) General information

**a- Features of units or shares**

♦ ISIN code

<b>Unit</b>	<b>ISIN Code</b>
R	FR0011001049
I	FR0011001023
S	FR0011001056
F	FR0012768802
P	FR0013311834
Z	FR0010137646

♦ Description of rights attached to units

Each unit holder has a co-ownership right on the fund's assets proportionate to the number of funds units owned.

♦ Registration and details of register of fund units

RBC Investor Services Bank France is responsible for keeping the register of fund units.

♦ Voting rights

No voting rights are attached to fund units. As established by law, all decisions are taken by the investment management company.

♦ Form of units

Units are issued in bearer form.

♦ Subdivision of units

Units can be subdivided into fractional units representing hundredths of units pursuant to the minimums established in Chapter II-I-1.

**Financial year end**

Last NAV calculation date in February. The first financial year ended on 26 October 2005.

**b- Taxation**

The fund is eligible for the *Plan d'Epargne Actions* (French tax-free long-term savings scheme).

The fund is not subject to company income tax.

The tax regime applicable to sums distributed by the UCITS and capital gains or losses unrealised or realised by the UCITS is dependent on the tax provisions applicable to the particular situation of the investor and/or to the jurisdiction to which the fund's investments are subject. Investors who are unsure of their tax position should consult a tax advisor or other person qualified in such matters.

**2) Specific provisions:**

**a- Investment objectives**

The fund aims to outperform the Dow Jones Eurostoxx 50 (total return) over a recommended investment horizon of five years.

This fund is an actively managed UCITS for which the composition of the portfolio is at the discretion of the management team. There is no constraint on the level of deviation of the fund's investment portfolio compared to the benchmark index composition.

**b- Benchmark**

Euro Stoxx 50 (total return), calculated and published in Euro by Stoxx Limited

ISIN code	EU0009658152
Bloomberg code	SX5T Index
Reuters code	STOXX50ER

The Dow Jones Eurostoxx 50 (total return) is a stock market index consisting of 50 euro zone equities. The equities included in the index are selected on the basis of their market capitalisation, trading volumes and sector of activity. The index aims to adhere to predetermined weightings for country and sector of activity so as to replicate the structure of the European economy as closely as possible.

Index administrator: Stoxx Limited

Additional information on the benchmark is available via the administrator's website:

<https://www.stoxx.com/index-details?symbol=SX5T&searchTerm=SX5T>

The management company is able to replace the index used as a benchmark if the benchmark changes substantially or ceases to be provided.

**c- Investment strategy**

♦ Strategies used

The UCITS is at all times at least 60% exposed to one or more equity markets in one or more countries of the European Union (including the euro zone markets) and in the United-Kingdom.

The UCITS is also at least 75% invested in equities of countries of the European Union.

Exposure to foreign exchange risk on currencies other than those of the euro zone and the European Union and the United-Kingdom is capped at 30%.

Exposure to market risk other than that of the European Union and the United-Kingdom is also capped at 30%.

The investment policy relies on a detailed understanding of the fundamentals and sector dynamics of the companies in which the portfolio is invested and on the expertise of the investment management company in evaluating their listed instruments and trading these instruments.

The portfolio investment process entails the following steps:

- Analysis of company and sector fundamentals  
Analysis of revenues, profitability, cash flows, indebtedness and off-balance sheet items
- Analysis of sector and domestic market dynamics  
Analysis of the market, strategic challenges, threats, risks, opportunities, etc.
- Due diligence process  
Regular meetings with management, contacts with main sector players, attendance at events, regular monitoring of country components, etc.
- Analysis of market liquidity and main players  
Analysis of listed instruments, identification and understanding of market catalysts, technical trading analysis, etc.
- Strict adherence to selection criteria  
Analysis of intrinsic value, the competitive situation, management, etc.

The purpose of these various stages is to assess a company's fundamentals, measure its intrinsic value and thereby determine the best investment options:

- to buy equities
- to buy investment or sub-investment grade corporate bonds
- to buy convertible bonds
- to sell put options
- etc...

Please note that the investment strategy adopted may lead the management team to:

- invest in small and mid cap stocks (defined as equities in companies with a market capitalisation of between EUR 20 million and EUR 1 billion). These stocks may represent a substantial part in the fund's assets.
- invest up to 25% of the fund's net assets in corporate bonds, in particular sub-investment grade bonds, and in bonds issued by public entities. This strategy is based on the value of the companies' assets. The aim is to identify companies with established business activities, stable or rising cash flows and a financial structure suited to cash flow generation. The fund may invest in debt securities if the equity is deemed too expensive or the company is not listed. This strategy is similar in effect to selling a put option, since both give the investor access to a revenue (option premium, bond yield) in anticipation of the equity price falling to a level at which it may be considered a good investment.

♦ Assets excluding embedded derivatives

→ equities

At least 60% of the portfolio's net assets shall at all times be exposed in equities and other similar securities traded on regulated markets of the European Union and in the United-Kingdom.

In addition, at least 75% of the portfolio's net assets shall at all times be invested in equities of countries of the European Union.

No specific portfolio allocation per sector or market capitalisation has been established.

→ Bonds, debt securities and money market instruments

The portfolio may invest in fixed income and money market instruments.

Fixed income instruments may represent a maximum of 25% of the portfolio's net assets. The principal fixed income instruments in which the portfolio is invested are investment or sub-investment grade bonds issued by private issuers in European countries or bonds issued by public entities. The investment and sub-investment grade categories reflect issuer ratings awarded by rating agencies Standard & Poor's, Moody's and Fitch or, if no agency rating is available, an internal rating. No minimum rating requirement has been established for this fund.

The money market instruments in which the portfolio invests are:

- Negotiable debt instruments

Negotiable European Commercial Paper (NEU CP) – former “Commercial papers” (CP) and “certificates of deposit” (CDs) -, French government bonds (BTAN) and French fixed rate treasury bills (BTF). The negotiable debt securities used in this context comply with the conditions established in article R214-12, I-1 and V-1, of Monetary and Financial Code.

- Money market UCITS

The fund intends to invest in money market UCITS constituted under European Law. The aim of investing in these instruments is to generate a return on the cash held.

→ Shares or units in other UCITS or mutual funds

In addition to above-mentioned money market UCITS, the fund intends to invest in ETF constituted under European Law compliant with European norms. The fund does not envisage investing in UCITS other than those mentioned above.

The fund can not invest more than 10% of its net assets in shares or units of other UCITS or mutual funds.

♦ Derivative instruments

To realise its investment objectives, the fund may expose up to a value of 100% of its net assets to derivative instruments traded on regulated, organised and/or OTC markets of the European Union.

The portfolio may also invest in:

- futures on government bonds for portfolio hedging purposes,
- futures on equity indices for the purpose of gaining sufficient market exposure or of arbitrage,
- futures on equity volatility indices for the purpose of gaining sufficient market exposure or of arbitrage or of hedging,
- Listed or OTC equities options for the purpose of portfolio hedging, of gaining sufficient market exposure or of arbitrage. The fund also envisages holding put options to protect itself against sudden declines in the price of an equity and selling call options to improve the exit level for given equities. The portfolio may either buy call options or sell put options to gain sufficient market exposure.

→ contracts for difference (CFD) for the purpose of portfolio hedging, of gaining sufficient market exposure or of arbitrage. A CFD is an agreement with a third party to settle the difference between the opening and closing prices of an equity. Such contracts allow users to be exposed on equity price movements without ever owning the underlying equity. CFDs are forward OTC contracts effectively enabling investors to sell an equity and borrow the same equity in a single contract. They can also be used to gain exposure to a specific equity and thus allow investors to gain exposure to non Euro zone markets with minimal foreign exchange risk on the net return on the position.

Use of CFDs in proportion of the assets under management:

- Maximum: 100%;
- Expected: 25%.

- spot currency trades for portfolio hedging purposes or for gaining sufficient market exposure,
- forward currency trades for portfolio hedging purposes or for gaining sufficient market exposure,
- currency swaps for portfolio hedging purposes or for gaining sufficient market exposure.

Derivatives instruments can be entered into with counterparties that have been selected by the investment manager in accordance with its “Best Execution/Best Selection policy” and with the new counterparty authorization procedure. These counterparties are regulated financial institutions headquartered in OECD countries which have an investment grade rating from at least two of the three main credit rating agencies and which comply with Article 3 of the SFTR.

OTC derivatives (CFD, forward currency trades, currency swaps) are governed by ISDA or French Banking Association (“*Fédération bancaire française*”) master-agreements. Such agreements provide for the daily exchange of variations margins in cash between the fund and its counterparties in order to reduce the fund’s counterparty risk exposure.

The UCITS’ annual report contains details of the following:

- a) the underlying exposure obtained through financial derivative instruments;
- b) the identity of the counterparty(ies) to these financial derivative transactions; and
- c) the type and amount of collateral received by the fund to reduce counterparty exposure.

#### ♦ Embedded derivatives

To achieve its investment objectives, the fund may invest in:

- convertible bonds,
- subscription notes,
- subscription rights,
- warrants,
- contingent value rights.

Contingent value rights (CVRs) are instruments issued by companies that, in the event of a fall in the price of an equity, guarantee the holder a sum (the amount of which is determined in advance) corresponding to the difference between the price of the equity at a given time and a higher price set in advance.

The management team may expose the fund to the following risks:

- equity risk,
- interest rate risk,
- credit risk,
- foreign exchange risk

The rationale for the use of embedded derivatives is to:

- hedge globally certain risks. The risks hedged are equity risk, interest rate risk, foreign exchange risk and credit risk,
- increase market exposure,
- have a synthetic exposure to equity and fixed income instruments.

#### ♦ Deposits

The fund may invest in term accounts (deposits). However, the contribution of such accounts to performance in excess of the benchmark is limited.

#### ♦ Cash borrowings:

The fund may borrow cash for cash management purposes or to increase the leverage of the UCITS.

♦ Repo and reverse repo transactions (“efficient portfolio management techniques”)

The fund may temporarily acquire or dispose of securities to help achieve its investment objectives, optimise cash management and initiate arbitrage transactions or transactions exploiting special situations, in the best interest of the fund and with due consideration of potential conflicts of interests.

The fund may temporarily acquire securities (under reverse repo and securities borrowing agreements) up to 10% of its net assets. This limit is raised to 100% of its net assets if the securities acquired are neither disposed of (including on a temporary basis) nor transferred as collateral.

The fund may temporarily dispose of securities (under repo and securities lending agreements) up to 100% of its net assets.

The fund may also use leverage. Leverage shall be limited to a maximum of 2 times the fund’s net assets and shall be distributed as follows:

	Accounting for
- UCITS assets	1
- Derivative exposure and repos and/or securities lending agreements	1

The expected proportion of the assets under management of the Compartment that could be subject to Securities Lending Repurchase Transactions and Reverse Purchase Transactions fluctuates between 0% and 25%, subject to a maximum of 100%.

Additional information on the remuneration of securities sale and purchase transactions is included in the section on fees on commissions.

These counterparties to securities financing transactions are regulated financial institutions headquartered in OECD countries which have an investment grade rating from at least two of the three main credit rating agencies and which comply with Article 3 of the SFTR.

The fund’s annual report specifies whether the fund temporarily acquired or disposed of securities during the reporting period and, as the case may be, contains details of the following:

- i) the exposure obtained through such efficient portfolio management techniques;
- ii) the identity of the counterparty(ies) to these efficient portfolio management techniques;
- iii) the type and amount of collateral received by the UCITS to reduce counterparty exposure; and
- iv) the revenues arising from efficient portfolio management techniques for the entire reporting period together with the direct and indirect operational costs and fees incurred.

### **Collateral management**

Within the scope of OTC derivatives transactions and temporary purchases/sales of securities, the fund 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 fund’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 fulfill 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.

The fund's annual report contains details of the type and amount of financial guarantees that were actually received during the reporting period.

#### **d- Risk profile**

Your money will be principally invested in financial instruments selected by the investment management company. Because of the composition of the portfolio and the portfolio management techniques used, the fund's net asset value is likely to be subject to significant fluctuation.

There is also a risk that the fund may fail to meet its performance objectives and that capital invested may not be recovered in full. The management strategies adopted may result in a loss of capital.

Through the fund, investors will be exposed to a number of risks:

The **principal risk** to which the fund is exposed is equity **market risk**.

Equity market risk is the risk of losses being incurred on an equity portfolio. As the fund is holding long equity positions it arises during bear markets. Investors should note that the fund may select small and mid cap stocks and that these equities may have a substantial weighting in the fund's net assets. The specific risks associated with such equities are increased volatility and reduced liquidity. Because fund units may be redeemed at any time, in the event of a significant redemption, the reduced liquidity of small and mid caps could result in exit prices being significantly lower than latest trading prices.

To a lesser extent, the fund may also be exposed to credit risk.

For a corporate entity, credit risk is the risk that the debt issuer may not be able to pay interest and/or redeem principal when due. As we define it, credit risk is the risk of losses on a portfolio holding fixed income instruments issued by private sector entities (bonds and negotiable debt securities). Such credit risk can be measured by the difference (the spread) between the yield offered by the debt security issued by the corporate entity and the yield offered by a 'risk free' fixed income security (eg. government bonds). Such risk may result in some volatility in the portfolio as the market perception of an increase (resp. decrease) in such credit risk for a particular issuer in the portfolio would translate into a widening (resp. tightening) of the spread, and hence a decrease (resp. increase) of the price of such issuer's debt security.

Investors are reminded that the fund may invest up to 25% of its net assets in private corporate bonds, particularly sub-investment grade bonds, or in bonds issued by public corporate entities.

The fund can be exposed to the overexposure risk as it can use leverage up to 2 times its net asset value. This risk results into faster lower net asset value on downward market movements.

The fund can be exposed to the foreign exchange risk relating to currencies other than those of the Euro zone, the European Union and the United-Kingdom up to 30% of the assets.

On an incidental basis, the fund may also be exposed to equity volatility risk and to interest rate risk.

Equity volatility risk measures potential losses on a portfolio holding securities with an optional component and arises when implied volatility falls.

Interest rate risk is the risk, for fixed income securities, of an increase (resp. decrease) of 'risk free' interest rates. A portfolio holding fixed income instruments is exposed to such interest rate risk, as an increase (resp. decrease) of risk-free interest rates would cause the value of the portfolio to fall (resp. rise).

Finally, foreign exchange risk measures potential losses on a portfolio holding securities denominated in currencies other than the fund currency and on investments in currencies other than the fund currency.

In addition, the fund may be exposed to 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 fund may receive financial assets held as financial guarantees.

In addition, the fund may be exposed to risks inherent to the management of collateral for OTC derivative transactions and efficient portfolio management techniques:

- Operational risk: Risk of loss resulting from inadequate or failed internal processes, people and systems or from external events;
- Liquidity risk: It is the difficulty or inability to realize the sale of securities held in the portfolio in a timely manner and at the portfolio valuation price because of the small size of the market or the lack of volume on the market where these securities are usually traded;
- Safekeeping risk: Error or failure to maintain the holdings of securities;
- Legal risk: This concerns the risk of inappropriate drafting of contracts with counterparties for the temporary acquisition and sale of securities or with counterparties to OTC derivatives transactions or the risk of adverse and unanticipated modification of the applicable regulation;
- Re-use of collateral: It is the risk that the resulting value of use is less than the value initially received or remitted.

## Sustainability Risks

Whilst the Boussard and Gavaudan Group's ("BG") funds do not actively seek to promote, or have environmental, social or governance ("ESG") objectives, BG has implemented a policy which sets out the firm's approach to the integration of sustainability risks in its decision-making process. The policy is available from BG's website: [boussard-gavaudan.com](http://boussard-gavaudan.com)

A summary of the contents is provided below.

### Integration

As set out in the EU Sustainable Finance Disclosure Regulation ("SFDR"), "*sustainable risk*" means and environmental, social or governance ("ESG") event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of an investment.

BG seeks to integrate sustainability risks ("**Sustainability Risks**") and ESG considerations into its investment decisions where Sustainable Risks are relevant to the proposed investment. Sustainability Risks are considered throughout the investment process, ranging from the initial group review of new prospective products, to idea generation and risk management.

Within BG's fundamental strategies, certain sectors and companies have increased exposure to environmental and social risk and the Firm's analysts factor these considerations into their analysis and investment proposals. ESG considerations are not normally the primary driver of an investment decision, however they often serve as a catalyst for further investment research, investigation and discussion.

BG has contracted a specialised ESG provider which produces research to complement the efforts of the Firm's analysts. Each individual analyst is responsible for integrating ESG considerations when analysing an investee company for approval of their proposed investment by the Firm's investment committee ("**Investment Committee**"). When ESG factors have a material impact on the investment thesis, positively or negatively, the Investment Committee records its conclusion in the Group's portfolio management system.

At the portfolio level, BG calculates the net exposures to a variety of ESG metrics to ensure that portfolios are not overly exposed to Sustainability risks. These metrics are made available to both the Firm's risk Committee and the Firm's ESG committee so that both viewpoints are considered.

### Impact of Sustainability Risks on Returns Assessment

BG believes the Integration of ESG considerations into the funds' investment processes will allow for better management of the funds' exposure to Sustainability Risks. The inclusion of Sustainability Risks in the investment process should result in lower financial risk for the funds.

The manager does not expect such ESG integration to have a negative effect on returns, as the core objectives of the fund are not altered by ESG objectives such as best-in-class or impact-only-investing.

On occasions certain investments that may be made by the fund may be negatively impacted by Sustainability Risks. Sustainability Risks may impair the value of the investments made by the fund, including the loss of the entire amount invested. Sustainability Risks may arise and impact a specific investment made by the funds or may have broader impact on an economic sector, geographical regions or countries, which, in turn impact the funds' investments.



Finally, the increasing importance of ESG considerations in financial markets creates new opportunities for catalyst driven investment, which is a core feature of Firm's investment strategy. For example, if an investee company facing Sustainability Risks is addressing these issues, the improvement in its ESG profile will lead to a re-rating of its stock price.

Investors should note that:

- exposure to equity risk associated with equities of countries of the European Union and in the United-Kingdom accounts for at least 60%,
- the portfolio is at least 75% invested in equities of countries of the European Union (excluding for instance any equity derivatives exposure ...) in order to be eligible to the French "Plan Epargne en Action",
- exposure to markets other than those of the European Union and the United-Kingdom is capped at 30%.

#### **e- Target investors and typical investors**

##### **R unit:**

R unit is targeted to all investors.

##### **I unit:**

I unit is particularly targeted to institutional investors.

##### **S unit:**

S unit is exclusively available to:

- the management company and the companies of the BG Group
- the BG Group's employees (regular employees and direct and indirect shareholders of the Group) and their family up to the 4<sup>th</sup> degree of kinship
- to « seeders », persons or institutions operating during the fund development phase and enabling the fund to reach a critical size

##### **F unit:**

F unit is exclusively reserved for the feeder fund Boussard & Gavaudan SICAV-BG Long Term Value, a compartment of the Luxembourg SICAV Boussard & Gavaudan SICAV.

##### **P unit:**

The P share is reserved for investors subscribing through financial intermediaries who do not receive retrocessions from the management company:

- Because they are subject to national legislation prohibiting any retrocession to distributors or
- Because they provide a service of
  - Council within the meaning of the European MiFID Regulation 2 and / or
  - Individual portfolio management under mandate

And for which (s) they are remunerated by their customers.

##### **Z unit:**

Z unit is targeted to all investors.

The fund is targeted to at all investors, particularly individuals and institutional investors seeking exposure to the European equity markets.

The recommended investment term is a minimum of five years.

The amount that it is reasonable to invest in this UCITS will depend on one's individual circumstances and in particular on one's personal wealth, current and long-term requirements and whether or not one wishes to be exposed to certain risks. To minimise exposure to specific risks, investment diversification is strongly recommended.

The units of this UCITS have neither been, and nor will be, registered under the United States Securities Act of 1933, as amended ("Securities Act 1933"), or under any similar law of the United States. The units may not be

offered, sold, or otherwise transferred within the United States, its territories or possessions or to, or for the account or benefit of, US persons (under Securities Act 1933 Regulation S).

**f- Allocation of distributable amounts**

The UCITS is a capitalization mutual fund:

- The net result is fully capitalized each year;  
Net capital gains are fully capitalized each year

**g- Frequency of distributions**

None

**h- Features of units or shares**

The units are denominated in Euro. Units can be subdivided into fractional units representing hundredth of units.

**i- Subscription and redemption arrangements**

→ Subscription and redemption orders are processed centrally each day before 02.00pm (Paris time) by

RBC Investor Services Bank France  
105 rue Réaumur  
75002 Paris  
France

For orders not transmitted through the intermediary of a French custodian, please contact the investment management company

Boussard & Gavaudan Gestion  
69 boulevard Haussmann  
75008 Paris  
France

→ The minimum initial subscription amount is:

- 1 unit for R, S, F, P and Z units
- 1 000 000 euros for I unit.

Subscriptions and redemptions can be subdivided into fractional units representing hundredths of units. The minimum additional subscription or redemption amount is 0.01 unit.

Units can be subscribed or redeemed in units or amount.

→ Subscription and redemption orders (at unknown NAV) arriving before 12.00am will be executed on the basis of the next NAV. Settlement and delivery of fund units will take place on the second following business day.

→ The net asset value is calculated on a daily basis.

The net asset value is not calculated:

- on official public holidays in France
- when Euronext (France, Belgium, Netherlands, Portugal) is partially closed or closed
- when London Stock Exchange (United Kingdom) is partially closed or closed
- when Xetra (Germany) is partially closed or closed
- when Borsa Italiana (Italy) is partially closed or closed
- when Bolsas y Mercados Espanoles (Spain) is partially closed or closed
- when New York Stock Exchange (United States) is partially closed or closed
- on TARGET days (Trans-European Automated Real-time Gross Settlement Express Transfer system).

→ An estimated net asset value, “year-end estimated net asset value”, is calculated the last business day of each year. This year-end estimated net asset value is disseminated for information purpose only and can not be used as a base for subscriptions-redemptions

→ The net asset value is available from the investment management company.

#### **j- Fees and commissions**

##### **♦ Subscription and redemption fees**

Subscription and redemption fees are either added to the subscription price paid by the investor or deducted from the redemption price. The fees due to the UCITS go to cover the costs it incurs in investing or disposing of assets. Fees not due to the UCITS accrue to the investment management company, distributor, etc.

<b>Fees payable by investors upon subscription or redemption</b>	<b>Base</b>	<b>Rate</b>
Subscription fee not due to the UCITS	NAV x number of units	<b>R unit:</b> 3%, maximum rate <b>I unit:</b> 3%, maximum rate <b>S unit:</b> 0% <b>F unit:</b> 0% <b>P unit:</b> 3% <b>maximum rate</b> <b>Z unit:</b> 3%, maximum rate
Subscription fee due to the UCITS	NAV x number of units	0%
Redemption fee not due to the UCITS	NAV x number of units	0%
Redemption fee due to the UCITS	NAV x number of units	0%

No subscription fee will apply in case of a redemption followed by a subscription on the same day, for a same amount, in the same account and on the same NAV, on the same unit or between units of the fund.

##### **♦ Management fees**

These fees cover all charges billed directly to the UCITS, except for transaction costs. Transaction costs include dealing charges (brokerage fees, stock exchange tax, etc.), plus any ticket fee that may be charged by, for instance, the custodian or investment management company.

In addition to the regular management fees, there may be:

- a performance fee, if the UCITS exceeds its targets. Any such fee will be charged to the UCITS,
- a ticket fee charged to the UCITS,
- a dealing fee,
- a proportion of any income on repurchase agreements.

Remuneration generated by repo and reverse repo securities transactions and equivalent transactions under foreign law is not distributed and shall accrue entirely to the fund.

	<b>Fees charged to the UCITS</b>	<b>Base</b>	<b>Rate</b>
1 & 2	Financial management fees (1) and administration fees external to the management company  (1) Including research costs 0.03%	Net assets	<b>R unit:</b> 2.03% including tax, maximum rate <b>I unit:</b> 1.03% including tax, maximum rate <b>S unit:</b>

			0.53% including tax, maximum rate <b>F unit:</b> 0% <b>P unit:</b> 1.03% including tax, maximum rate <b>Z unit:</b> 2.03% including tax, maximum rate
3	Maximum indirect costs (commissions and management fees)	Net assets	<b>Not applicable</b> <sup>1</sup>
4	Ticket fee (excluding brokerage fees): received by custodian	Withholding on each transaction	Rate depending on market on which transaction executed: from 11.96 euros including tax to 83.72 euros including tax
5	Performance fee	Net assets	<b>R unit:</b> 15% including tax of the fund's outperformance compared to the best performance between zero, the fund's benchmark <sup>2</sup> and the Stoxx 600 index total return <sup>3</sup> on the base period <b>I unit :</b> 15% including tax of the fund's outperformance compared to the best performance between zero, the fund's benchmark and the Stoxx 600 index total return on the base period <b>S unit :</b> None <b>F unit:</b> None <b>P unit:</b> 15% including tax of the fund's outperformance compared to the best performance between zero, the fund's benchmark and the Stoxx 600 index total return on the base period <b>Z unit:</b> None

**Performance fee:**

A fee corresponding to 15% including tax of the fund's outperformance compared to the best performance between zero, the fund's benchmark, the Euro Stoxx 50 total return, and the Stoxx 600 total return will be charged. The performance is calculated after management fee and before performance fee. The base period of the outperformance is the financial year end. This performance fee is accrued at each NAV calculation. This provision increases in case of an outperformance compared to the previous NAV and decreases in case of an underperformance. This performance fee is paid on financial year end.

In case of a redemption, if a performance fee is accrued, the proportional part linked to the units redeemed is due to the management company.

**Formula:**

= 15% X max [performance of the fund – max (0, Dow Jones Eurostoxx 50 index total return performance, Stoxx 600 index total return performance), 0]

<sup>1</sup> Information required from UCITS investing more than 20% of net assets in other French or European UCITS or AIFs, or in investment funds established on the basis of foreign law.

<sup>2</sup> <https://www.stoxx.com/index-details?symbol=SX5T&searchTerm=SX5T>, code Bloomberg SX5T

<sup>3</sup> <https://www.stoxx.com/index-details?symbol=SXXGR&stoxxindex=sxxgr&searchTerm=STOXX+600>, code Bloomberg SXXR

Income generated by repo and reverse repo securities transactions and equivalent transactions under foreign law is not distributed but shall accrue entirely to the fund.

Other expenses:

Contributions payable to the AMF for fund administration in accordance with d) of 3° of II of article L.621-5-3 of the French Monetary and Financial Code are charged to the fund.

For further information, please consult the annual report of the UCITS.

### III – Commercial information

→ Subscription and redemption orders are processed centrally each day before 02.00pm (Paris time) by RBC Investor Services Bank France. For orders not transmitted through the intermediary of a French custodian, please contact the investment management company.

→ Subscription and redemption orders (at unknown NAV) arriving before 02.00pm (Paris time) will be executed on the basis of the next NAV.

→ The prospectus for the UCITS and the latest annual and interim reports will be sent out within one week upon written request of the bearer submitted to:

Boussard & Gavaudan Gestion  
69 boulevard Haussmann  
75008 Paris  
France  
Email : [info@bgam-fr.com](mailto:info@bgam-fr.com)

For further information, please contact the marketing department at the investment management company:  
+33 (0)1 44 90 41 00

→ Information about environmental, social criteria and the governance (ESG) : Information concerning how the asset manager take into account the ESG criteria will be available in the annual report and on the website of the asset manager : [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com).

### IV – Investment rules

The fund has adopted the commitment approach for the calculation of its overall risk.

### V – Asset valuation and accounting rules

The portfolio is valued whenever the net asset value is calculated and when the annual financial statements are drawn up, on the following basis:

#### **1) Asset valuation rules**

##### **a- Financial instruments and securities traded on a regulated market**

###### **♦ Equities, bonds, convertible bonds and warrants**

French and European securities are valued on the basis of closing prices on the valuation date.

Securities in Euro are valued on the basis of closing prices on the valuation date.

Securities not in Euro are valued on the basis of closing prices on their main market and then converted into Euro at the exchange rate effective on the valuation date.

French convertible bonds, traded coupon included, are valued on the basis of closing prices.

Convertible bonds, traded ex-coupon, are valued on the basis of closing prices, with interest accrued being calculated in accordance with market rules.

French bonds, traded ex-coupon, are valued on the basis of closing prices, with interest accrued being calculated in accordance with market rules

Other bonds are valued on the basis of the price calculated using multiple sources suggested by the investment management company.

♦ Negotiable debt securities and similar instruments

Negotiable debt securities with significant transaction volume are valued at market prices.

Negotiable debt securities without significant transaction volume are valued by an actuarial method, applying a benchmark rate, plus, where appropriate, a margin representing the intrinsic characteristics of the issuer of the security.

<b>Term to maturity</b>	<b>Benchmark rate</b>
Less than one year	Euro interbank offered rate
Between one year and five years	BTAN French government bond rate
More than five years	OAT French fungible treasury bond rate

Floating rate debt securities are valued with reference to a credit curve factoring in the intrinsic characteristics of the issuer of the security.

However, negotiable debt securities coming to maturity in less than 3 months (without any particular specificity) may be valued according to the linear method.

♦ UCITS

Units or shares in UCITS are valued at their last known NAV.

**b- Financial instruments not traded on a regulated market**

Financial instruments not traded on a regulated market are valued by the investment management company at their probable market value.

**c- Contracts**

Futures and options contracts traded on French and European markets are valued at closing prices.

Futures and options contracts traded on non Euro zone markets are valued on the basis of closing prices on their market then converted into Euro at the exchange rate effective on the valuation date.

OTC futures and options contracts are valued at counterparty prices, after validation by the investment management company's valuation model.

The counterparties submit prices for OTC derivatives to the investment management company that will value them on a daily basis. The investment management company validates the prices by performing plausibility checks prior to the NAV calculation. The documents attesting to counterparty prices are retained for auditing purposes.

The investment management company is responsible for ensuring that the counterparty sends price data to the administrator at the agreed intervals. If the counterparty fails to provide valuations, the administrator shall notify the investment management company. In the absence of up-to-date price data, the administrator shall use the latest price provided by the counterparty.

CFDs are valued at counterparty prices after validation by the investment management company's valuation model.

**d- Deposits**

Deposits are valued on a straight-line basis according to the interest rate agreed at the time the deposit was established.

**e- Forward currency contracts**

Forward currency contracts are valued using the exchange rates effective on the valuation date, after adjustments for premiums/discounts calculated on the basis of the risk-free rate curves for each currency on the valuation date.

**f- Other instruments**

Securities subject to repo or reverse repo agreements are valued at the price effective on the start date of the repo/reverse repo agreement, plus the agreed remuneration calculated prorata temporis.

Financial instruments whose price has not been established on the valuation date or whose price has been corrected are valued at their probable market value as determined by the investment management company.

The collateral cash due under the swap contracts (CFDs) with the counterparty UBS AG - the only exchange contracts concluded to date - are subject to daily variation margins above the GBP 5000 threshold.

The auditors are informed during the audit of these valuations and how they were arrived at.

**2) Asset accounting rules**

Income from financial instruments is booked using the collected coupon method. Transaction costs are recorded exclusive of financial charges.

**VI – Remuneration policy**

Boussard & Gavaudan Group applies a uniform remuneration policy to all employees and members of staff of its various entities, including Boussard & Gavaudan Gestion – the investment management company or “BGG”. This policy is consistent with a sound and efficient risk management. It does not encourage excessive risk-taking that would be inconsistent with the risk profile, the terms or the constitutive documents of the managed funds.

The remuneration policy is in line with the business strategy, objectives, values and interests of the investment management company, the managed funds and funds investors and is designed to prevent conflicts of interests.

The remuneration policy has been set up in order to:

- Contribute to the sound and effective implementation of the strategy and objectives of BGG and prevent excessive risk-taking as compared to the investment policy of the managed funds;
- Enable the investment management company to align the interests of the managed funds and their investors with those of its staff and its own interests;
- Ensure BGG's competitiveness on its operating markets;
- Keep BGG able to attract, motivate and maintain high-calibre employees.

The investment management company's employees perceive a remuneration that is comprised of a fixed component and a variable component, designed to achieve a balanced mix that is annually reviewed and based on both individual and collective performance.

The general principles of the remuneration policy are reviewed on a regular basis with regard to legislative and regulatory changes and are amended accordingly. The remuneration policy has been duly approved by the Management & Control Committee of Boussard & Gavaudan Group. Details of the remuneration policy are available on the following website: [www.boussard-gavaudan.com](http://www.boussard-gavaudan.com). A hard copy is available free upon request.



# TERMS OF THE UCITS (FCP)

## SECTION 1 – ASSETS AND UNITS

### Article 1 – Co-ownership units

Co-ownership rights are expressed in units, with each unit corresponding to the same percentage of the fund's assets. Each unit holder has a co-ownership right on the fund's assets proportionate to the number of fund units held.

The fund is created for 99 years from its date of approval unless wound up beforehand or extended as provided for in these rules.

Fund units are reinvestment units and are denominated in Euro.

It is possible to consolidate or subdivide units.

Upon decision of the board of the investment management company, units may be subdivided into fractional units representing tenths, hundredths, thousandths or ten-thousandths of units.

All rules governing the issue and redemption of units apply equally to fractional units, the value of which shall always be proportional to that of the unit they represent. All other rules relating to units apply automatically to fractional units unless stated otherwise.

Finally, the board of the investment management company may, at its sole discretion, subdivide units by creating new units that shall be allocated to unit holders in exchange for their old units.

### Article 2 – Minimum asset value

No fund units may be redeemed if the net asset value of the fund falls below EUR 300,000. In this situation, and unless the fund's net asset value moves back above this threshold within the next 30 days, the investment management company shall take the steps necessary to merge or wind up the fund.

### Article 3 – Unit subscriptions and redemptions

Initial subscriptions shall be for a minimum of 1 unit. Subsequent subscriptions and/or redemptions shall be for a minimum of 0.01 unit. Units can be subscribed or redeemed in units or amount.

Units may be issued at any time at the unit holder's request. They shall be priced at the NAV plus any subscription fees.

Subscriptions and redemptions shall take place according to the terms and procedures set out in the KID and Prospectus.

Units in the fund may be listed for trading under the regulations in force.

Unit subscriptions must be paid in full on the NAV calculation date. Payment must be in cash.

Redemptions are paid entirely in cash, unless the fund is being wound up and holders of fund units have agreed to be reimbursed in securities. Payments are made by the custodian within five days of the date of valuation of the unit.

However, if under exceptional circumstances the assets held by the fund need to be sold before settlement can be made, this period may be extended, to no more than 30 days.

Except in cases of inheritance or estate distribution, the sale or transfer of units from one holder to another, or from a holder to a third party, shall be considered equivalent to a redemption followed by a subscription. When units are sold or transferred to a third party the beneficiary must make up any shortfall to the minimum subscription required under the KID and prospectus.

In accordance with article L. 214-8-7 of the French Monetary and Financial Code, the investment management company may provisionally suspend redemption or issuance of units by the fund in exceptional circumstances, when this is necessary in the interests of unit holders.

If the NAV of the fund is lower than the amount specified in the regulations, no redemptions may take place.

The minimum initial subscription is 1 unit. The minimum additional subscription or redemption amount is 0.01 unit.

### Article 4 – Calculation of net asset value

The fund's NAV shall be calculated according to the valuation rules in the Prospectus.

## **SECTION 2 – MANAGEMENT OF THE FUND**

### **Article 5 – Investment management company**

The fund shall be managed by the investment management company in accordance with the guidelines specified for the fund.

The investment management company shall in all circumstances act on behalf of holders of fund units and may exercise the voting rights attached to the securities held in the fund.

### **Article 5b – Investment rules**

The prospectus gives details of which instruments and deposits may be included in the assets of the UCITS and of the investment rules applying thereto.

### **Article 6 – Fund 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 the decisions of the portfolio management company are correct. Where necessary, it must take all protective measures it deems appropriate. In the event of a dispute with the management company, the custodian shall inform the AMF.

### **Article 7 – Auditor**

An auditor shall be appointed for six years, after agreement with the AMF, by the investment management company board.

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

The audit mandate may be renewed.

The auditor shall bring to the attention of the AMF promptly any fact or decision concerning the UCITS fund which it has identified in the course of the audit and which would be 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.

Valuations of assets and the determination of exchange ratios in any transformation, merger or split shall be carried out under the supervision of the auditor.

The auditor shall assess any contribution in kind on its sole authority.

The auditor shall check the composition of the assets and other items before publication.

The auditor's remuneration shall be agreed between the audit company and the board of the investment management company on the basis of the work schedule setting out the audit procedures deemed necessary.

The auditor must also certify positions forming the basis for interim payments.

### **Article 8 – Accounts and management report**

At the end of each year the investment management company shall prepare financial statements and a report on the fund's management over the previous year.

The inventory shall be certified by the custodian and all the documents listed above shall be checked by the statutory auditor.

The investment management company shall make these documents available to holders of fund units within four months of the close of the financial year and inform them of the revenue to which they are entitled. These documents may be sent by post, if the unit holder expressly requests this, or shall be available at the offices of the investment management company or of the custodian.

## **SECTION 3 – ALLOCATION OF INCOME**

### **Article 9 Terms of allocation of distributable amounts**

Net income for the year shall be equivalent to the sum of interest, coupon and dividend payments, premiums and prizes, attendance fees and any other revenues relating to the securities making up the fund portfolio, plus revenue on any temporary cash holdings, minus management charges and borrowing fees.

The sum available for distribution shall be equivalent to:

- net profit for the year plus any retained earnings, plus or minus any accrued revenues or expenses relating to the year just ended;
- realized capital gains, net of fees, minus realized capital losses, net of fees, recognized during the fiscal year, plus net capital gains of the same nature recognized in past fiscal years that were not capitalized and reduced or increased by the balance of capital gains adjustment account.

The amounts available for distribution are fully reinvested each year, except those amounts that must obligatorily be distributed by law.

## **SECTION 4 – MERGER – SPLIT – WINDING UP – LIQUIDATION**

### **Article 10 – Merger – Split**

The investment management company may transfer all or part of the assets included in the fund to another UCITS that it manages or split the fund into two or more other mutual funds that it will continue to manage.

Any such merger or split operations may be effected only after one month has passed since unit holders were advised of the proposed operation. On conclusion of the operation, a new statement specifying the number of units held shall be sent to each holder of fund units.

### **Article 11 – Winding up – Extension**

Should the fund's NAV remain below the amount specified in article 2 above for 30 days, the investment management company shall report the situation to the AMF and, unless the fund is merged with another mutual fund, proceed to wind up the fund.

The investment management company may resolve to wind up the fund in advance, in which case it shall inform holders of fund units of its decision and from this date no further subscription or redemption orders shall be accepted.

The investment management company shall also proceed to wind up the fund if it receives a redemption order for all fund units, if the custodian wishes to relinquish its duties and no other custodian has been appointed, or if the fund reaches the end of its term and no extension has been agreed.

The investment management company shall inform the AMF by post of the date on which the fund is to be wound up and of the procedure to be employed. It shall then submit the auditors' report to the AMF.

Should either party wish to withdraw from the agreement concluded between the custodian and the investment management company, the investment management company shall proceed to wind up the fund within three months of the date of receipt of notice of termination if no other custodian has been appointed by the investment management company and approved by the COB (French Securities Market Commission) before the end of this period.

The investment management company may decide to extend the life of the fund in agreement with the custodian. Any decision to extend the fund's life must be taken at least three months before the expiry date established for the fund and notified to holders of fund units and to the AMF.

### **Article 12 – Liquidation**

If the fund is to be wound up, the investment management company shall be responsible for its liquidation. It may delegate the liquidation procedures to the custodian if the custodian agrees. To this end, the investment management company or, where applicable, the custodian shall be vested with the broadest possible powers to realise assets, pay any creditors and distribute the remaining balance among holders of fund units in cash or securities.

The auditors and the custodian shall continue to perform their duties until the liquidation process is concluded.

## **SECTION 5 – AMENDMENTS**

### **Article 13 – Amendment of the terms**

The fund's terms may be amended only by mutual agreement between the custodian and the investment management company. Any amendments made shall take effect only once unit holders or their representatives have been notified, as required under prevailing legislation.

## **SECTION 6 – DISPUTES**

### **Article 14 – Competent authority – Choice of domicile**

Any disputes relating to the fund that may arise while the fund is operational or upon its liquidation, either between holders of fund units, or between unit holders and the investment management company or the custodian, shall be subject to the jurisdiction of the competent courts.