Ellipsis Optimal Solutions – Liquid Alternative

PROSPECTUS FOR SWITZERLAND

ISIN codes

SEUR Unit:	FR0013198017
SCHF Unit:	FR001400OAR4
EB-EUR Unit:	FR001400KEE2
EB-USD Unit:	FR001400KEF9
EB-CHF Unit:	FR001400M766
EB-D-EUR Unit:	FR0013197993
IEUR Unit:	FR0013198009
IUSD Unit:	FR001400OAQ6
ICHF Unit:	FR001400M774
JEUR Unit:	FR001400CB74
JCHF Unit:	FR001400CB90
JUSD Unit:	FR001400CB82
RCHF Unit:	FR001400OAT0
RUSD Unit:	FR001400OAU8
REUR Unit:	FR001400OAS2
PCHF Unit:	FR001400M782
PUSD Unit:	FR001400CBA3
PEUR Unit:	FR001400CWU7
Z Unit:	FR0013198025

UCITS governed by European Directive 2009/65/EC (UCITS IV)

Publication date: October 3, 2024

PROSPECTUS

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ELLIPSIS OPTIMAL SOLUTIONS - LIQUID ALTERNATIVE
UCITS compliant with European Directive 2009/65/EC (UCITS IV)

1. GENERAL CHARACTERISTICS

Form of :

Name

ELLIPSIS OPTIMAL SOLUTIONS - LIQUID ALTERNATIVE

Legal form and Member State of incorporation of the UCITS

The UCITS is a Fonds Commun de Placement ("FCP") governed by French law.

Date of creation and expected lifetime

This mutual fund was approved by the Autorité des Marchés Financiers on 14 October 2016. It was created on 30 November 2016 for a term of 99 years.

Summary of the management offer

Unit	ISIN code	Original net asset value	Allocation of distributable sums	Currency	Subscribers concerned	Minimum initial subscription amount
SEUR	FR0013198017	EUR 10 000	Accumulation	EUR	All subscribers, particularly institutional investors	EUR 10,000,000[1]
SCHF	FR001400OAR4	CHF 10 000		CHF		CHF 10 000 000[1,]
EB-CHF	FR001400M766	CHF 10,000	Accumulation	CHF	All subscribers, particularly institutional investors, funds of funds and pension funds, pension funds and investors acting on their own behalf.	CHF 1,000,000[1, 2]
EB-EUR	FR001400KEE2	EUR 10,000	Accumulation	EUR		EUR 1,000,000[1, 2]
EB-USD	FR001400KEF9	USD 10,000	Accumulation	USD		USD 1,000,000[1 ,2]
EB-D-EUR	FR0013197993	EUR 10,000	Accumulation/ Distribution	EUR		EUR 1,000,000[1, 2]
IUSD	FR001400OAQ6	10 000 USD	Accumulation	USD	All subscribers, particularly institutional investors, funds of funds and pension funds, pension funds and investors acting on their own behalf.	USD 1,000,000[1]
ICHF	FR001400M774	10 000 CHF		CHF		CHF 1,000,000[1]
IEUR	FR0013198009	10 000 EUR		EUR		EUR 1,000,000[1]
JEUR	FR001400CB74	100 EUR	Accumulation	EUR CHF USD	All subscribers, but particularly investors subscribing via distributors or intermediaries: - providing investment advice or portfolio management services under a discretionary mandate and, - remunerated exclusively by investors.	No
JCHF	FR001400CB90	100 CHF				
JUSD	FR001400CB82	100 USD				
REUR	FR001400OAS2		Accumulation	EUR CHF USD	All subscribers	No
RCHF	FR001400OAT0					
RUSD	FR001400OAU8					
PCHF	FR001400M782		Accumulation	EUR CHF USD	All subscribers	No
PUSD	FR001400CBA3					
PEUR	FR001400CWU7					
Z	FR0013198025	EUR 10,000	Accumulation	EUR	Reserved for entities of the Kepler Cheuvreux Group, UCIs and mandates managed by the management company and its employees.	No

[1] *Amounts not applicable to entities and UCIs of the Kepler Cheuvreux group. Subscriptions made by entities belonging to the same group may be accumulated.*

[2] The Management Company may suspend/reopen this class of shares to subscription after having previously informed the holders by any means (i.e., website). Only existing holders will then be able to continue subscribing to this class of shares after their closure to new subscriptions.

Indication of where the latest annual report and the latest periodic statement may be obtained :

The latest periodical document and the fund rules are available on the website www.ellipsis-am.com or can be sent within eight working days on written request to the following address:

Ellipsis Asset Management
112 avenue Kleber - 75116 Paris
E-mail: client_service@ellipsis-am.com

Further information can be obtained from your usual contact.

The AMF website (www.amf-france.org) contains further information on the list of regulatory documents.

2. DIRECTORY

Portfolio management company

Ellipsis Asset Management
Public limited company with a Management Board and a Supervisory Board
Portfolio management company approved by the AMF under no. GP 11-000014 on 2 May 2011
112 avenue Kleber - 75116 Paris

Custodian and conservators

Société Générale
Credit institution created on 8 May 1864 by Decree of Authorisation signed by Napoleon III
Registered office: 29 Boulevard Haussmann - 75009 Paris
Postal address: 75886 Paris cedex 18

The services provided by the custodian and trustee include, in particular, the keeping of a register and the safekeeping of the FCP's assets, checking that the Management Company's decisions are lawful, and the provision of optional ancillary services, such as liability management. The custodian undertakes to use its best efforts to prevent conflicts of interest.

Custody of the FCP's assets may be delegated by the Custodian. In this respect, the Custodian (i) ensures that the sub-custodian is duly authorised to administer and hold financial instruments and (ii) monitors the transactions carried out. The list of sub-custodians and further details are available on the website **www.ellipsis-am.com** and a paper copy is available free of charge on request. Updated information will also be made available to investors on request.

Establishment in charge of centralising subscription and redemption orders and Establishment in charge of keeping the share registers, delegated by the Management Company

Société Générale
32 rue du Champ de Tir - 44000 Nantes

Statutory auditor

PricewaterhouseCoopers Audit
Represented by Frédéric Sellam
63 rue de Villiers - 92200 Neuilly-sur-Seine - France

Promoters

Ellipsis Asset Management
112 avenue Kleber - 75116 Paris

The list of marketers is not exhaustive as, in particular, the UCITS is admitted for circulation in Euroclear. Some marketers may not be known to the Management Company.

Representative

Ellipsis Asset Management will be solely responsible for the financial management of the FCP.

Accounting and valuation are delegated to the administrative and accounting manager:

SOCIETE GENERALE
Registered office: 29 boulevard Haussmann - 75009 PARIS
Postal address: 189 rue d'Aubervilliers - 75886 PARIS Cedex 18 - France

The services provided by the administrative and accounting manager include calculating the net asset value of the fund. Once established, this net asset value is subject to validation by the Management Company prior to publication. The duties of the administrative and accounting manager are obligations of means. The administrative and accounting manager undertakes to use its best efforts to prevent conflicts of interest from arising.

Consultants

None

3. OPERATING AND MANAGEMENT PROCEDURES

3.1 General characteristics

CHARACTERISTICS OF UNITS:

Nature of the rights attached to the units: each unitholder has a co-ownership right in the fund's net assets proportional to the number of units held.

Liability management: Liabilities are managed by the custodian. The fund is admitted to Euroclear France.

Voting rights: As the FCP is a co-ownership of transferable securities, no voting rights are attached to the units held. Decisions concerning the fund are taken by Ellipsis AM in the interests of the unitholders.

Form of units: Units are denominated in bearer form.

Unit fractions: units are divided into thousandths of units.

CLOSING DATE

Last day for calculating net asset value in December. First closing date: 31 December 2017.

INFORMATION ON THE TAX SYSTEM

Investors' attention is drawn to the fact that the following information is only a general summary of the tax regime applicable to investors in a French FCP as French legislation currently stands. Investors are therefore advised to examine their specific situation with their usual tax advisor.

Taxation of the mutual fund

In France, the co-ownership status of FCPs automatically places them outside the scope of corporation tax; they therefore benefit by nature from a system of transparency, so that the income received and realised by the FCP in the course of its management is not taxable at its level.

Abroad (in the FCP's investment countries), capital gains realised on the sale of foreign securities and foreign-source income received by the FCP in the course of its management may, where applicable, be subject to taxation (generally in the form of withholding tax). Foreign taxation may, in certain limited cases, be reduced or eliminated where tax treaties apply.

Taxation of FCP unitholders

The tax regime applicable to sums distributed by the fund or to unrealised or realised capital gains or losses depends on the tax provisions applicable to the investor's particular situation and/or the fund's investment jurisdiction. Investors are advised to examine their specific situation with their usual tax advisor.

3.2 Special provisions

a. ISIN codes

SEUR Unit:	FR0013198017
SCHF Unit:	FR001400OAR4
EB-CHF Unit:	FR001400M766
EB-EUR Unit:	FR001400KEE2
EB-USD Unit:	FR001400KEF9
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RUSD Unit:	FR001400OAU8
PCHF Unit:	FR001400M782
PEUR Unit:	FR001400CWU7
PUSD Unit:	FR001400CBA3
Z :	FR0013198025

b. Management objective

The management objective is to achieve, through active management, an absolute performance that is uncorrelated with the markets over a 5-year horizon, by applying an investment strategy based mainly on the use of liquid listed derivatives. The fund has an annual performance objective of 6% over the recommended investment horizon, combined with an annual realised volatility objective of 6-8% and a maximum loss objective of -10%.

c. Benchmark

The fund aims for absolute performance and therefore does not have a single benchmark indicator. Nevertheless, in consideration of the fund's management objective and although it is not a money market fund, the performance of each share can be compared ex post to that of the reference money market index of the currency of the subscribed share, increased by 1%, namely:

- **Shares denominated in EUR :**

€STR capitalised + 1%

- **Shares denominated in CHF :**

SARON capitalised + 1%

- **Shares denominated in USD :**

SOFR capitalised + 1% of

The €STR (ESTER or Euro Short-Term Rate) is a reference short-term interest rate in the eurozone published from 2 October 2019. It is calculated daily by the European Central Bank (ECB) on the basis of the previous day's transactions. For further information, visit https://www.ecb.europa.eu (https://www.ecb.europa.eu/stats/financial_markets_and_interest_rates/euro_short-term_rate/html/index.en.html)

The SARON (Swiss Average Rate Overnight) is the reference rate for the Swiss money market and reflects the conditions for overnight transactions on the money market in Swiss francs. It is administered and published by SIX Financial Information Ltd and can be viewed at (https ://www.ecb.europa.eu/stats/financial_markets_and_interest_rates/euro_short-term_rate/html/index.en.html)

The SOFR ("Secured Overnight Financing Rate") is the rate that measures the cost of overnight cash borrowings backed by US Treasury securities. The SOFR includes all repo transactions (Broad General Collateral and Bilateral Treasury) cleared via the DVP (Delivery-versus-Payment) service offered by the FICC (Fixed Income Clearing Corporation), filtered to remove transactions considered 'special'. Further information on this index can be found on the Federal Reserve Bank of New York website https://www.newyorkfed.org/markets/reference-rates/sofr

The management of the FCP is not constrained by these benchmark indicators, and consequently the performance of the FCP may differ significantly from that of its benchmark indicators.

In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 (hereinafter "Benchmark Regulation"), the administrator SIX Financial Information Ltd of the SARON Index is listed on the register of administrators and benchmarks maintained by the European Securities and Markets Authority (ESMA).

The European Central Bank, the administrator of the €STR index, and the Federal Reserve Bank of New York, the administrator of the SOFR index, benefit from the exemption in Article 2.2 of the Benchmark Regulation as central banks and as such are not required to be entered in the ESMA register.

In accordance with the Benchmark Regulation, the Management Company has a procedure for monitoring the benchmark indices used, which describes the measures to be implemented in the event of substantial changes to an index or the discontinuation of its supply.

d. Investment strategy

The portfolio is constructed through active management using a systematic approach, aiming to overweight the allocation to risky assets (equities and bonds) while reducing risk through systematic hedging based on the purchase of puts and the sale of calls.

In order to achieve its management objective, the Fund will use equity derivatives on the markets of OECD member countries. The investment strategy consists of constructing a portfolio with a "long-hedged" approach allowing a medium-term net exposure to the equity markets of OECD member countries of 25% of the Fund's net assets, with, however, short-term latitude allowing a net exposure to risky assets (equities and/or *investment grade* credit) on the markets of OECD member countries of between 0% and 100% of the Fund's net assets.

The management process is based on three pillars:

1. An **initial investment strategy** within the equity markets of OECD member countries, ranging from 0 to 50% of the fund's net assets. This investment will be managed quantitatively using indices or stocks through direct lines or derivative instruments such as futures or performance swaps (Total Return Swap).
   In order to respect the integration of ESG constraints, at least 90% of this first strategy (i.e. 45% of the fund's net assets) will be exposed to sustainability indices, in particular the Climate Transition Benchmark (CTB) and Paris Aligned Benchmark (PAB) climate indices that meet the requirements of Regulation (EU) 2019/2089 amending the Regulation, or the Biodiversity indices.
   The Paris Aligned Benchmark indices aim to select only those securities that contribute to achieving the 2°C target set out in the Paris Agreement on Climate Change adopted on 12 December 2015 in Paris at the United Nations Climate Change Conference ("Paris Agreement").

Climate Transition Benchmarks are indices designed to reduce the carbon footprint of a standard portfolio. More specifically, this type of index should be defined by including companies that follow a scientific and measurable decarbonisation trajectory, taking into account the long-term global warming target set out in the Paris Agreement.
The Biodiversity indices (limited within the fund to the Stoxx Biodiversity and MSCI Biodiversity indices) select securities from issuers that aim to maintain the balance of ecosystems by allowing different species to coexist and interact with each other.

2. **A second investment strategy** within the *investment grade* credit universe, ranging from 0% to 50% of the Fund's net assets. This investment will be managed quantitatively using indices or bonds via direct holdings or derivatives such as total return swaps. The allocation will be based on a quantitative strategy known as "*momentum spread*", which aims to be lightly invested when the risk of default is high, and on the contrary to invest at the maximum when the anticipated risk of default is low.

   In order to respect the integration of ESG constraints, 100% of this strategy will use indices or underlyings belonging to ESG *investment grade* indices (e.g. MSCI ESG Fixed Income Solutions).

3. An **overlay strategy** aimed at reducing risk via two sub-strategies:

   a. A systematic hedging strategy based mainly on the use of liquid listed options.

      This strategy will be considered as having no net exposure to the underlying markets, providing only risk reduction through the purchase of hedging options. For example, the Fund may use the following strategies:
      - Buying put and call options on broad indices (Eurostoxx 50, CAC 40, DAX 30, SMI, etc.)
      - Buying put and call options on sectoral indices
      - Purchase of put and call options on equity underlyings included in the investment strategy

      The management process may also use derivatives on underlyings whose internal modelling enables risks to be transposed onto equity or equity indices (e.g. volatility futures).

   b. A discretionary return strategy using liquid listed derivatives, enabling risk management/reducing the cost of the systematic hedging strategy.
      Strategies can be put in place to :
      - reduce the cost of carrying systematic cover
      - reduce exposure to implied volatility
      - reduce exposure to interest rates or dividends

This strategy aims to achieve zero net exposure to the underlying markets over the medium term.

The overall management process (combining the 3 strategies mentioned above) aims to limit the maximum long-term loss of the fund to -10%. To achieve this, the overlay strategy mentioned above must comply with the following limits on a daily basis:

Stress scenario for underlyings	-40%	-30%	-20%	-10%
Gain from overlay strategy	10%	5.5%	2.5%	0.6%

Over the medium term, the FCP's exposure to equities will exceed 25% of the net assets.

The FCP will also invest in debt securities and money market instruments issued by public or private market issuers in OECD member countries with a minimum rating equivalent to *investment grade* (securities with a rating of BBB- or Baa3 or higher according to official rating agencies) or a rating deemed equivalent by the management company. These investments are mainly used for cash management purposes. Money market instruments are allocated without constraint as to the type of debt (fixed, floating or variable rate), with no geographical, sectoral or size predominance among the markets of OECD member countries.

The FCP is hedged against currency risk, although an ancillary risk of up to 10% of the net assets may remain. In addition, each unit of the fund is hedged against currency risk, which corresponds to the risk of the fund's reference currency fluctuating against the currency in which the unit is denominated. As this currency hedging cannot be perfect, there may still be a residual currency risk representing up to 5% of the net assets.

The Fund may also invest up to 10% of its net assets in UCIs managed or not by Ellipsis Asset Management and make deposits for cash management purposes.

Lastly, the fund may use temporary purchases or sales of securities to optimise its income.

Integrating ESG criteria into the investment strategy

The fund does not have a sustainable investment objective.

For the purposes of the European Regulation (EU) 2019/2088 on the publication of sustainability information in the financial services sector (hereinafter "SFDR Regulation"), the fund belongs to the category of products promoting environmental and/or social features (so-called "Article 8").

The fund's performance may be affected by environmental, social or governance events affecting the securities and/or issuers to which the fund is exposed. This sustainability risk may cause the net asset value of the Fund to fall. It is taken into account in investment decisions through :

1/ Exposure to climate benchmark indices (Climate Transition Benchmark and Paris Aligned Benchmark) and Biodiversity through equity investment (with a strategy invested at a minimum of 90% in these indices), as well as to investment grade ESG indices for the entire credit investment.

2/ Exclusion policies: these concern sensitive sectors linked to the fight against climate change and the defence of human rights, and are based on lists of excluded issuers drawn up by the BNP Paribas Group. In addition, the FCP undertakes not to hold in its portfolio any issuers on the exclusion list of the Swiss Association for Responsible Investment SVVK-ASIR: https://svvk-asir.ch/fr/liste-d-exclusion, unless it can justify this by an internal analysis of the environmental characteristics of the instrument or issuer.

3/ An ESG analysis of the securities held in the portfolio, covering at least 90% of investment-grade securities and 75% of speculative-grade securities. This makes it possible to exclude issuers whose sustainability risk - and governance risk in particular - could call into question the sustainability of the company's or government's economic and financial model, have a significant impact on its stock market value or lead to a significant downgrading by the rating agencies. The aim is to contribute to a multi-criteria analysis, without the manager being obliged to base his investment decision on ESG criteria.

This financial product promotes environmental and social characteristics. However, the underlying investments of this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities within the meaning of Regulation (EU) 2020/852 (hereinafter the "Taxonomy Regulation") and it is not currently in a position to commit its portfolio to a minimum of activities aligned with the Taxonomy Regulation. The percentage of assets aligned with the Taxonomy Regulations should be considered to be 0%. Therefore, the "do no material harm" principle does not apply to the underlying investments of this financial product.

The "principal adverse impacts" (PAI) on sustainability factors within the meaning of Article 7 of the SFDR Regulation are not currently taken into account in the fund's investment decisions due to the lack of available and reliable data in the current state of the market.

For more information, visit: https://www.ellipsis-am.com/esg

e. Assets used

- Shares and equity securities

The FCP may invest in equities and equity-linked securities, notably those making up the STOXX® Europe 600Net Return index. Net exposure to the equity markets may range from 0% to 100% of the Fund's net assets, with medium-term exposure in excess of 25% of net assets.

- Derivative instruments

The FCP may hold derivatives traded on French or foreign regulated, organised or over-the-counter markets in order to :

- make arbitrages in accordance with the investment strategy defined above,
- expose the portfolio with a view to building up synthetic exposure to one or more risks (equity, interest rate and currency), in line with its management objective, up to a maximum of one times the net assets, without seeking overexposure,
- hedge the portfolio against equity, interest rate and foreign exchange risks.

On these markets, the Fund will mainly use the following instruments: Futures: Interest rate futures, TRF (Total Return Futures) futures, bond futures, equity futures (single-name or index), total return equity futures (single-name or index), exchange rate futures, dividend futures (single-name or index), volatility index futures and ETF futures;

- Options: index options, equity options, ETF options and futures options (interest rate futures, bond futures, equity futures (single-name or index), currency futures, dividend futures (single-name or index), volatility index futures, total return index futures and ETF futures);
- Forward rate agreements and foreign exchange forwards ;
- Swaps: Interest rate swaps and foreign exchange swaps ;
- Contract for Difference on equities, ETFs, bonds and convertible bonds (Contract for Difference on a specific issuer or on an index) ;
- Performance swaps (Total Return Swap on a specific issuer or on an index) ;
- Credit derivatives (Credit Default Swaps on a specific issuer or on an index).

In order to achieve its management objective, the Fund may use Total Return Swaps (TRS) for hedging and exposure purposes (long or short).

A total return swap is an over-the-counter contract known as a "total return" swap, under which two counterparties exchange cash flows representing, for the seller, the return on the asset plus, where applicable, its appreciation, and for the buyer, a periodic premium plus, where applicable, the depreciation of the asset.

The TRS that the FCP may use are contracts on a specific issuer or indices in which the fund may invest in accordance with its investment objectives in return for a periodic payment indexed to a benchmark money market rate.

The TRS counterparty will not have any discretionary power over the composition or management of the FCP's portfolio or over the underlying assets of the TRS. Nor is the counterparty's approval required for any transaction relating to the FCP's portfolio.

The maximum proportion of assets likely to be subject to SRI will not exceed 100% of the net assets of the FCP. The expected proportion of assets under management which will be subject to such transactions may represent between 0% and 100% of the fund's net assets.

- Criteria for selecting derivative counterparties :

These transactions are carried out with French or international counterparties, such as credit institutions or investment services providers whose registered office is located in OECD member countries, Hong Kong or Singapore and whose rating may not be

lower than investment grade (securities with a rating of BBB- or Baa3 or higher according to the official rating agencies). These counterparties may belong to the group to which the management company belongs.
These transactions give rise to an operational risk and a counterparty risk which is controlled by the exchange of financial guarantees. Cash financial guarantees received by the UCITS may be reinvested in accordance with the provisions of the section entitled "Collateral management policy".

- Debt securities and money market instruments

The FCP may invest up to 100% of its net assets in debt securities and money market instruments, such as bonds, short- or medium-term negotiable securities or unstructured EMTNs, issued by European public or private issuers with a minimum rating equivalent to "investment grade" (securities with a rating of BBB- or Baa3 or higher according to the official rating agencies) or a rating deemed equivalent by the management company, which does not exclusively or automatically use the credit ratings issued by these agencies.
Allocation to money market instruments is made with no constraints on the type of debt (fixed, variable or floating rate), and with no geographical, sectoral or size predominance among the markets of OECD member countries.
The portfolio's average sensitivity to interest rates ranges from -5 to +5.

- Units and shares in UCIs or investment funds

The FCP may invest up to 10% of its net assets in shares or units of the following UCIs or investment funds:
  - French or foreign UCIs governed by Directive 2009/65/EC,
  - French or foreign UCIs governed by Directive 2011/61/EU or foreign investment funds meeting the four conditions set out in article R214-13 of the French Monetary and Financial Code.

These UCIs may be managed by the Management Company or by an affiliated company.

- Deposits

The FCP may make deposits in accordance with the conditions set out in article R214-14 of the Monetary and Financial Code as part of its cash investments.

- Transactions for the temporary acquisition and sale of securities

The FCP may use acquisition transactions (repurchase agreements and securities borrowing) and temporary sales of securities (repurchase agreements and securities lending).

The aim of these transactions is to sell or temporarily acquire debt securities, money market instruments, equities and equity-linked securities in order to optimise the fund's income.

  - Temporary purchases of securities may involve a maximum of 100% of the FCP's net assets. The expected proportion of assets under management subject to such transactions may represent between 0% and 10% of the net assets.
  - Temporary sales of securities may involve a maximum of 10% of the FCP's net assets. The expected proportion of assets under management subject to such transactions may represent between 0 and 10% of the net assets.

All income from these transactions is retained by the mutual fund.
These transactions are carried out with French or international counterparties, such as credit institutions or investment services providers whose registered offices are located in OECD member countries, Hong Kong or Singapore and whose rating may not be lower than investment grade (securities with a rating of BBB- or Baa3 or higher according to the official rating agencies). These counterparties may belong to the group to which the management company belongs.
These transactions give rise to an operational risk and a counterparty risk which is controlled by the exchange of financial guarantees. Cash financial guarantees received by the UCITS must be reinvested in accordance with the provisions of the section entitled "Collateral management policy".

- Cash borrowing

The FCP may temporarily borrow up to 10% of its net assets for cash management purposes.

f. Collateral management policy

Collateral refers to all assets pledged as collateral in OTC derivatives transactions or in efficient portfolio management transactions (temporary purchases and sales of securities).

Collateral received to reduce counterparty risk must meet the criteria of liquidity, valuation, issuer credit quality, correlation and diversification set out in regulations, in particular AMF position 2013-06.

Eligible assets include cash, government bonds, private debt instruments, company shares or any other asset agreed between the parties at the time the transaction is entered into, within the limits authorised by regulations. These assets are marked to market on a daily basis, in accordance with the provisions of the "Asset valuation and recognition rules" section, and are subject to daily variation margins. A discount policy has been established by the management company and calibrated by type of asset received, based on their market value. It is based on a measure of extreme risk (VaR 95%) over an investment horizon compatible with the liquidation of these assets. The assets received by the FCP are held by the custodian.

The management company reserves the right to reject any collateral it deems unsuitable on the basis of internal criteria. A list of excluded assets or asset types is kept up to date by Ellipsis AM. Any addition or deletion of a security or asset category is validated by the Risk Committee.

Cash collateral paid by a counterparty must be reinvested in accordance with applicable regulations. The risks associated with cash reinvestment depend on the type of asset and/or the type of transaction, and may constitute a counterparty risk, an operational risk or a liquidity risk.

g. Total commitments

The sum of exposure to risks resulting from commitments and positions in securities may not exceed 200% of the fund's assets. However, the FCP is not intended to have an overall exposure of much more than 100%.

h. Risk profile

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

- Risk that the capital invested is not returned in full

The fund does not offer a capital guarantee. There is therefore a risk that unitholders in the fund may not receive the full amount of their initial investment at maturity or at any other time. Potential unitholders should be aware that their subscriptions, and therefore the investments made by the mutual fund, are subject to normal market fluctuations and to the other risks inherent in any investment in transferable securities. Consequently, investments should only be made by persons who have sufficient knowledge and understanding of the financial markets and are able to bear a loss of their initial investment. There is no guarantee or certainty that the value of the investments made by the FCP will appreciate or that the FCP's investment objectives will actually be achieved. The value of investments and the income derived from them may fluctuate significantly, either upwards or downwards, and, in the latter case, may expose unitholders to the risk of losing the amount initially invested.

- Equity market risk

On these markets, asset prices may fluctuate according to investors' expectations, resulting in a risk to the value of the shares. The Fund has exposure to the equity markets, which may lead to a fall in net asset value in the event of a correction in the equity markets.

- Volatility risk

This risk is linked to the propensity of an asset to fluctuate significantly upwards or downwards for specific reasons or in response to general trends on the financial markets. The greater the propensity of an asset to fluctuate significantly over short periods of time, the more volatile and therefore risky that asset is. A fall in the volatility of the STOXX® Europe 600 Net Return index may cause the Fund to perform negatively.

- Model risk

The core strategy is based on a systematic principle. There is a risk that this model may not be efficient and is not a guarantee of future performance.

- Discretionary management risk

The satellite strategy is based on discretionary management, which relies on anticipating trends on the various markets or in the various strategies followed by the fund. There is a risk that the fund may not be invested in the best performing strategies at all times.

- Risk associated with forward financial instruments

The FCP is exposed to the risks inherent in forward financial instruments, in particular :

  - to upward and downward price movements in forward financial instruments as a function of changes in the price of the underlying assets,
  - differences between the price of forward financial instruments and the value of their underlying assets,
  - the occasionally reduced liquidity of these instruments on the secondary market,

The use of financial futures instruments may therefore entail specific risks of loss for the FCP to which it would not have been exposed in the absence of such strategies.

- Interest rate risk

Risk associated with a rise in bond market interest rates. Such a movement would cause bond prices or valuations to fall and, consequently, the net asset value of the mutual fund.

- Credit risk

The risk that the issuer's credit rating may be downgraded, or even that the issuer may default, and the negative impact on the valuation or price of the affected security. Credit risk, when it materialises, therefore has a direct negative impact on the net asset value of the mutual fund. This risk only applies to money market management.

- Counterparty risk

Risk of loss to the mutual fund resulting from the fact that the counterparty to an OTC transaction or contract may default on its obligations before the transaction has been finally settled in the form of a cash flow.

- Operational risk

Risk of loss to the mutual fund resulting from inadequate internal processes and failures relating to the people and systems of the portfolio management company, or resulting from external events, including legal and documentation risk, as well as risk resulting from the trading, settlement and valuation procedures applied on behalf of the mutual fund.

- Liquidity risk

Risk that a position in the portfolio cannot be sold, liquidated or closed out at a limited cost and within a sufficiently short timeframe, thereby compromising the fund's ability to comply at all times with the provisions of article L. 214-8 of the Monetary and Financial Code.

- Risk of potential conflicts of interest

Risk associated with over-the-counter transactions in which the FCP's counterparty is an entity linked to the group to which the management company belongs, and with potential conflicts between unitholders and clients. This risk is managed by a conflict of interest management system, the main provisions of which are available on the www.ellipsis-am.com website.

- Foreign exchange risk

The FCP may be exposed to an ancillary currency risk of less than 10% of the net assets. Each unit of the FCP is hedged against currency risk, which corresponds to the risk of fluctuations in the reference currency of the FCP against the currency in which the unit is denominated. However, there may be a residual currency risk of less than 5% of the net assets of units denominated in foreign currencies.

- Sustainability risk :

The fund's performance may be affected by environmental, social or governance events affecting the issuers to which the fund is exposed. The way in which this risk is taken into account in the fund's investment decisions is described in the "Investment strategy" section of the prospectus.

- Risks associated with temporary purchases and sales of securities, total return swaps and the management of financial guarantees:

The use of temporary purchases and sales of securities and total return swaps may increase or decrease the net asset value of the UCITS.
The risks associated with these transactions and the management of financial guarantees are credit risk, counterparty risk and liquidity risk, as defined above.
In addition, operational and legal risks are very limited due to an appropriate operating process, the fact that collateral received is held by the Fund's custodian and the fact that this type of transaction is governed by framework agreements signed with each counterparty.
Lastly, the risk of reuse of collateral is very limited as only cash collateral is reused, in accordance with UCITS regulations.

i. Guarantee or Protection

The FCP does not benefit from any contractual guarantee or protection.

j. Target subscribers and typical investor profile

EB and I units: All investors, with a particular focus on institutional investors, funds of funds, pension funds and proprietary investors.
S units: All investors, particularly institutional investors.
J Units: All subscribers, particularly investors subscribing via distributors or intermediaries:
- providing investment advice or portfolio management services under a discretionary mandate and,
- remunerated exclusively by investors.

R & P units: All subscribers
Z units: Reserved for entities of the Kepler Cheuvreux Group, UCIs and mandates managed by the management company and its employees.

The recommended investment period is five years.

The fund is aimed at investors wishing to gain exposure to the financial markets with a total return objective.

The amount that is reasonable to invest in this mutual fund depends on the subscriber's personal situation. To determine this, subscribers should take into account their personal wealth and/or assets, their current cash requirements and their needs over the lifetime of the fund, as well as their willingness to take risks or, on the contrary, their preference for cautious investment. Investors are also advised to diversify their investments sufficiently so that they are not exposed solely to the risks of this fund.

Although the unit classes of the mutual fund are open to all subscribers, Non-Eligible Persons, as well as certain Non-Eligible Intermediaries as defined below, are not authorised to subscribe for or hold units of the mutual fund directly or to be registered with the institution responsible for centralising subscription/redemption orders and keeping the unit registers, or with local transfer agents.

Ineligible persons :

- "U.S. Person" within the meaning of Regulation S of the SEC (Part 230-17 CFR230.903): the FCP is not and will not be registered under the Securities Act of 1933 or under the Investment Company Act of 1940 of the United States of America. Any resale or transfer of units in the United States of America or to a "US Person" within the meaning of Regulation S may constitute a violation of US law and requires the prior written consent of the management company. The offer of units has not been authorised or rejected by the SEC, the specialised commission of any US state or any other US regulatory authority, nor have such authorities passed upon or sanctioned the merits of this offer or the accuracy or adequacy of the documents relating to this offer. Any representation to that effect is contrary to law;
- Specified US person within the meaning of the Foreign Account Tax Compliance Act (FATCA) of 2010, as defined by the intergovernmental agreement signed between France and the United States on 14 November 2013;
- Reportable Person and Passive Non-Financial Entity (NFE) controlled by Reportable Persons within the meaning of Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU as regards automatic and compulsory exchange of information for tax purposes (DAC), or any equivalent concept within the meaning of the multilateral agreement between competent authorities on the automatic exchange of information relating to financial accounts signed by France on 29 October 2014 (CRS).

Non-Eligible Intermediaries :

- Financial institutions that are not participating financial institutions within the meaning of FATCA, as well as passive foreign non-financial entities within the meaning of FATCA;
- Financial institutions that are not Financial Institutions or equivalent concept within the meaning of CRS/DAC.

Definitions of the terms used above are available via the following links:

- Regulation S: http://www.sec.gov/rules/final/33-7505.htm
- FATCA: https://www.legifrance.gouv.fr/eli/decret/2015/1/2/MAEJ1431068D/jo/texte
- DAC: http://eur-lex.europa.eu/legal-content/FR/TXT/PDF/?uri=CELEX:32014L0107&from=FR
- CRS: http://www.oecd.org/tax/exchange-of-tax-information/multilateral-competent-authority-agreement.pdf

Investors wishing to acquire or subscribe to units of the mutual fund will, where applicable, have to certify in writing that they are not a U.S. Person under Regulation S, a U.S. Specified Person under FATCA and/or a CRS/DAC Reporting Person or equivalent.

All unitholders must immediately inform the management company if they become an Ineligible Person. Any unitholder who becomes a Non-Eligible Person will no longer be authorised to acquire new units. The management company reserves the right to compulsorily redeem any units held, either directly or indirectly, by a Non-Eligible Person, or through the intermediary of a Non-Eligible Intermediary, or if the holding of units by any person whatsoever is contrary to the law or the interests of the FCP.

Unitholders are informed that, where applicable, the Management Company, the institution responsible for keeping the unit registers or any other intermediary holding the account may be required to disclose to any tax or equivalent authorities personal information relating to unitholders, such as names, tax identification numbers, addresses, dates of birth, account numbers and any financial information relating to the accounts concerned (balances, values, amounts, income, etc.).

The FATCA status of the FCP, as defined by the intergovernmental agreement signed on 14 November 2013 between France and the United States, is Non-reporting financial institution deemed compliant (Annex II, II, B of the aforementioned agreement).

The CRS/DAC status of the FCP is Non-reporting financial institution in the investment entity category, benefiting from the exempt collective investment scheme regime.

k. Terms and conditions for determining and allocating distributable sums

The distributable sums are made up of :
1° Net income plus retained earnings plus or minus the balance of the income equalisation account ;
2° Realised capital gains, net of costs, less realised capital losses, net of costs, recorded during the financial year, plus net capital gains of the same nature recorded during previous financial years which have not been distributed or capitalised, less or increased by the balance of the capital gains adjustment account.

All share classes, except for the EB-D-EUR class: Capitalization.

EB-D-EUR share class: Capitalization and/or distribution. The option to pay advance dividends. Possibility of total or partial carryforward of results.

l. Distribution frequency

I-D-EUR share class: The management company decides annually on the allocation of the net result/net realized capital gains.

At the discretion of the Management Company, distributable sums may be partially or fully distributed, rounded off to the nearest whole number.

Distributable sums not distributed will be carried forward. During the financial year, the Management Company may decide to distribute one or more interim amounts up to the limit of either the net income booked or the net capital gains realised at the date of the decision.

m. Share characteristics

Subscriptions are made in units or in amounts. Redemptions are made in units. Units are divided into thousandths of units.

The denomination currency of the shares is the euro, except for the EB-CHF, SCHF, JCHF, RCHF, and PCHF shares, whose denomination currency is the Swiss franc, as well as the EB-USD, IUSD, JUSD, RUSD, and PUSD shares, whose denomination currency is the US dollar.

n. Subscription and redemption terms

- Date and frequency of calculation of the Net Asset Value :

The Net Asset Value is calculated daily on the basis of closing prices, with the exception of French public holidays and days on which the EUREX (European Exchange) is closed. In such cases, the Net Asset Value will be calculated on the basis of the closing price on the next business day.

Subscription/redemption requests are received until 11.00 a.m. for application to the net asset value of the day.

Subscription and redemption orders are centralised and executed on the basis of the next net asset value calculated on the basis of the day's closing price. They are executed in accordance with the table below:

J	J	D: day on which the VL is drawn up	D+1 working day	D+2 working days	D+2 working days
Centralisation of subscription orders before 11am[1]	Centralisation of buyback orders before 11am[1]	Execution of the order no later than D	Publication of net asset value	Subscription regulations	Payment of redemptions

[1] Unless a specific deadline has been agreed with your financial institution.

Particular attention must be paid to the technical deadlines of financial intermediaries or marketers, who may apply their own cut-off time for receiving subscription/redemption orders, which is earlier than the time indicated above in order to take account of the time taken to transmit these orders to the FCP's custodian.

- Minimum subscription amount :

Initial subscription :

- 10,000,000 EUR/CHF for S share classes, except for entities and UCITS of the Kepler Cheuvreux group. Subscriptions made by entities belonging to the same group may be aggregated.
- 1,000,000 EUR/CHF/USD for EB and I share classes, except for entities and UCITS of the Kepler Cheuvreux group. Subscriptions made by entities belonging to the same group may be aggregated.
- No minimum threshold for J, R, P, and Z share classes.

Subsequent subscriptions: 1 thousandth of a unit

- Body designated to receive subscriptions and redemptions :

Société Générale
32 rue du Champ de Tir - 44000 Nantes
+33 (0)2 51 85 57 09

- Medium and methods of publication or communication of the Net Asset Value :

The Net Asset Value will be available on the www.ellipsis-am.com website and through the main financial data providers. The Net Asset Value will also be published at the offices of the management company at the following address:

Ellipsis Asset Management
112 avenue Kleber - 75116 Paris

- Redemption Cap Mechanism ("gates")

In exceptional circumstances, the absence of a redemption cap mechanism could result in the inability of the UCITS to meet redemption requests, thereby increasing the risk of a complete suspension of subscriptions and redemptions on this UCITS.

4. FEES AND COMMISSIONS

4.1 Subscription and redemption fees

The fund's subscription and redemption fees are added to the subscription price paid by the investor or deducted from the redemption price. Fees paid to the fund are used to offset the costs incurred by the fund in investing or divesting the assets entrusted to it. Fees that are not paid to the fund revert to the management company and/or distributors.

Costs borne by the investor, deducted on subscriptions and redemptions	Plate	Rate scale
Subscription fee not paid to the mutual fund	Net asset value * number of units subscribed	None
Subscription fee paid to the mutual fund	Net asset value * number of units subscribed	None
Redemption fee not paid to the mutual fund	Net Asset Value * number of units redeemed	None
Redemption fee paid to the mutual fund	Net Asset Value * number of units redeemed	None

4.2 Fund operating and management costs

Operating and management costs include all costs billed directly to the fund, with the exception of transaction costs. Transaction costs include intermediation fees (brokerage, stock exchange taxes, etc.) and turnover fees, where applicable, which may be charged by the custodian and the management company in particular.

For more details on the fees actually charged to the fund, please refer to the Key Investor Information Document.

	Fees charged	Plate	Rate scale
1	Financial management fees (maximum annual rate incl. VAT) These costs will be provisioned at each net asset value, charged in full to the fund's profit and loss account and deducted quarterly.	Net Assets	S & EB Unit classed: 0,50% I Unit classe: 0,75% J & R Unit classes : 1% P Unit classe : 1,50% Z Unit classe: 0,15%
2	Administrative costs external to the portfolio management company (CAC, custodian, valuator, account keeper, technical distribution costs, lawyers, benchmark index licensing costs, etc.).	Net Assets	Fully covered by the management company

3	Maximum indirect costs (commissions and management fees)	Net Assets	Not significant
4	Transaction fees	Fixed commission on each transaction	from €0 to a maximum of €50 (incl. VAT) collected by the custodian from €0 to a maximum of €50 (incl. VAT) received by the Management Company
5	Outperformance fees	Net Assets	Unit classes EB and I: 15% of the Fund's annual outperformance, net of fees, relative to the performance indicator, provided that the underperformance of the last 5 years has been offset. Unit classes J & R: 20% of the Fund's annual outperformance, net of fees, relative to the performance indicator, provided that the underperformance of the last 5 years has been offset. P, S and Z unit classes: None

Financial research costs may also be charged to the fund.

Only the costs mentioned below may be outside the scope of the five blocks of costs mentioned above:

- contributions payable for the management of the FCP pursuant to d) of 3° of II of article L. 621-5-3 of the Monetary and Financial Code;
- exceptional and non-recurring taxes, fees and government duties (in relation to the FCP) ;
- exceptional and non-recurring costs incurred to recover debts or to enforce rights (e.g. class action proceedings);

Information on these costs is also described ex post in the fund's annual report.

How the performance fee works :

Variable management fees will be charged to the Management Company as follows:

- Depending on the rate defined for the unit class, 15% or 20% (inclusive of tax) of the annual performance, net of fees but excluding provisions for variable management fees, of each unit above the benchmark index, provided that underperformance over the last 5 years has been offset.
- The provision for variable management fees is adjusted each time the net asset value is calculated, on the basis of 15% or 20% (inclusive of tax), depending on the rate defined for the unit class, of the positive outperformance of the unit compared with its performance indicator. Provisions for variable management fees will only be applied when the Fund outperforms its performance indicator, and only to the positive performance difference. If the Fund underperforms its performance indicator, this provision is readjusted through reversals of provisions. Reversals of provisions are capped at the amount of the allocations;
The calculation of the outperformance of a unit will be carried out for the first time as from the launch date of this unit;
- The variable management fees are crystallised by the management company annually, on the basis of the last net asset value of the financial year; these variable management fees are deducted annually by the management company after the end of the financial year;
- In the event of redemption of units, if there is a provision for variable management fees, the portion proportional to the units redeemed is crystallised and acquired by the management company; the variable management fees crystallised in this way during a financial year may be deducted by the management company at the end of each quarter;
- The variable management fees will be retained by the Management Company even if the net asset value at the end of the financial year is lower than the net asset value at the close of the Fund's previous financial year;
- Any underperformance of the Fund relative to the benchmark will be made up before performance fees become payable. To this end, the performance reference period is set at 5 years;
- For units launched during the financial year, the first performance calculation period will run from the launch date of the unit until the end of the next financial year;
- The performance fee is calculated over a minimum period of 12 months.

The methodology used to calculate performance fees is based on the reference asset calculation method, which simulates a reference asset subject to the same subscription/redemption and distribution conditions, if any, as the original fund, while benefiting from the performance of the chosen index. This notional asset is then compared to the performance of the sub-fund's real assets. The difference between the two assets gives the outperformance of the unit compared with its benchmark.

The examples below illustrate the methodology used to calculate the performance fees described above:

Figure 1: General operation

	Year 1	Year 2	Year 3	Year 4	Year 5
Performance of Fund units	10%	-4%	-7%	6%	3%
Benchmark index performance	5%	-5%	-3%	4%	0%
Over/under performance	5%	1%	-4%	2%	3%

Cumulative performance of the Fund over the observation period	10%	-4%	-7%	-1%	2%
Cumulative performance of the benchmark index over the observation period	5%	-5%	-3%	1%	1%
Cumulative over/under performance over the observation period	5%	1%	-4%	-2%	1%
Do you charge commission?	Yes	Yes	No, because the fund underperformed the benchmark index	No, because the Fund has underperformed throughout the current observation period, which began in year 3.	Yes
Start of a new observation period?	Yes, a new observation period begins in year 2	Yes, a new observation period begins in year 3	No, the observation period has been extended to cover years 3 and 4.	No, the observation period has been extended to cover years 3, 4 and 5.	Yes, a new observation period begins in year 6.
NB: To make the example easier to understand, the performance of the Fund and the benchmark index are shown here as percentages. In practice, outperformance/underperformance will be measured as the difference between the Fund's net assets and the assets as described in the methodology above.					

Figure 2: Treatment of uncompensated performance beyond 5 years

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Performance of Fund units	0%	5%	3%	6%	1%	5%
Benchmark index performance	10%	2%	6%	0%	1%	1%
A: Over/under performance current year	-10%	3%	-3%	6%	0%	4%
B1: Uncompensated underperformance carried forward Year 1	N/A	-10%	-7%	-7%	-1%	Out of scope
B2: Uncompensated underperformance carried forward Year 2	N/A	N/A	0%	0%	0%	0%
B3: Uncompensated underperformance carried forward Year 3	N/A	N/A	N/A	-3%	-3%	-3%
B4: Uncompensated underperformance carried forward Year 4	N/A	N/A	N/A	N/A	0%	0%
B5: Uncompensated underperformance carried forward Year 5	N/A	N/A	N/A	N/A	N/A	0%
Over/under performance observation period	-10% (A)	-7% (A + B1)	-10% (A + B1 + B2)	-4% (A + B1 + B2 + B3)	-4% (A + B1 + B2 + B3 + B4)	1% (A + B2 + B3 + B4 + B5)

Do you charge commission?	No	No	No	No	No	Yes

The underperformance generated in year 1 and partially offset in subsequent years is forgotten in year 6.

Remuneration on temporary acquisitions and sales of securities :

Temporary purchases and sales of securities, as well as securities lending and borrowing transactions, will all be carried out under market conditions, with any income accruing in full to the fund.

For further information, unitholders should refer to the fund's annual report.

Procedure for selecting financial intermediaries :

Financial intermediaries are selected by Ellipsis Asset Management according to the following criteria (non-cumulative) :

-the provision of liquidity: the ability to quote prices, to keep up with contributions sent out
-commercial quality: the ability of the financial intermediary to use our managers wisely
-reliability of confirmation, payment/delivery and invoicing processes
-efficiency in the search for the best result

5. COMMERCIAL INFORMATION

Environmental, social and governance (ESG) criteria do not simultaneously underpin the investment choices made in the management of this UCI. Information on the implementation of ESG criteria is available on the website **www.ellipsis-am.com.**

Disclosure of the full prospectus and the latest annual and interim documents :

The FCP's information documents (prospectus/annual report/half-yearly report) are available in French on request, free of charge, from the management company Ellipsis Asset Management, 112 avenue Kleber, 75116 Paris, by e-mail client_service@ellipsis-am.com or on the website www.ellipsis-am.com.

Information on subscription and redemption orders :

All subscription and redemption requests for the fund are centralised with the custodian:

Société Générale
32, rue du Champ de Tir - 44 000 Nantes
+33 (0)2 51 85 57 09

Information concerning the transmission of the composition of the portfolio :

To enable certain investors to calculate the regulatory requirements linked to Solvency 2 (European Directive 2009/138/EC), the FCP may be required to disclose the composition of its portfolio, in accordance with the provisions of Autorité des marchés financiers position 2004-07 on *market timing* and *late trading* practices.

6. INVESTMENT RULES

The FCP is a UCITS governed by the provisions of European Directive 2009/65/EC. It complies with the regulatory ratios defined in articles R. 214-9 et seq. of the French Monetary and Financial Code.

7. GLOBAL RISK

The method used to measure the FCP's overall risk ratio is the commitment calculation method as defined in AMF Instruction 2011-15.

8. RULES FOR VALUING AND RECOGNISING ASSETS

The fund's accounting currency is the Euro.

The company has complied with the accounting rules prescribed by the regulations in force, and in particular with the chart of accounts for UCIs, defined by the decree of the Minister for the Economy dated 6 May 1993 and amended by Accounting Regulation Committee regulation no. 2014-01 of 14 January 2014.

8.1 Valuation method for financial instruments

a. Exchange rates

The exchange rate used to reverse value assets in the fund's accounting currency is supplied by a specialist data provider.

b. Financial instruments and securities traded on a regulated or organised market

Equities and exchange-traded funds (ETFs): equities and ETFs are valued on the basis of the closing prices published by the relevant markets on the Net Asset Value day. In the case of multi-listed securities (securities admitted and listed on several stock exchanges), the management company ensures that the stock exchange selected by the fund manager is the one it considers to be the most liquid. If the market set by the accounting manager is not appropriate, the management company reserves the right to request that the most representative market be set.

Bonds and convertible bonds: the recovery of bond prices is fed by a specialist data provider or benchmark calculation agent, calculated from prices from external contributors on the Net Asset Value day.

Negotiable debt securities and money market instruments: these instruments are supplied by a specialised data provider using prices from external contributors on the Net Asset Value date. Instruments with a residual maturity of 3 months or less may be valued on a straight-line basis, provided they are not particularly sensitive.

c. Mutual fund units or shares

Units and shares in undertakings for collective investment are valued at the net asset value on the Net Asset Value day. If a definitive net asset value is not available within a timeframe compatible with the valuation of the fund, the fund is valued using the last known net asset value. In the specific case of funds of funds, only the net asset value on the valuation day is used.

d. Temporary acquisitions and sales of securities

Temporary sales of securities: securities lent and securities sold under repurchase agreements are removed from their original line item and the corresponding receivable is recorded on the assets side of the balance sheet at market value. Remuneration for the transaction is recognised on a straight-line basis according to the reference rate.

Temporary acquisitions of securities: securities borrowed and securities purchased under resale agreements are marked to market. In addition, the debt representing the repayment obligation is also valued at the market value of the securities. Remuneration for the transaction is recognised on a straight-line basis according to the reference rate.

e. Futures and options traded on French and foreign regulated markets (listed futures and options)

These instruments are valued at the clearing price on the Net Asset Value day of the various futures markets.

f. Futures and options traded on an over-the-counter market

These instruments are valued on the basis of models validated by the management company, using market data supplied by specialist data providers.

- ✓ CFDs on equities, ETFs, bonds or convertible bonds: CFDs are valued at the difference between the closing price on the Net Asset Value day and the purchase price of the underlying asset, adjusted for the cost of financing.
- ✓ Index-linked TRS: index-linked TRS are valued by calculating the difference between the performance of the total return leg and the performance of the cash leg, which corresponds to accrued interest.
- ✓ Over-the-counter options: options are valued using an internal model based on the Black & Scholes formula and modelling forward curves and volatility bands.
- ✓ Currency forwards: Forward currency positions are valued by calculating the difference between the forward exchange rate and a theoretical forward exchange rate using market data (spot exchange rate and interpolated interest rates for the currency pair) on the Net Asset Value date.
- ✓ CDS: valued using the ISDA algorithm based on spread and rate data.

g. Collateral

Collateral refers to all assets pledged as collateral for over-the-counter financial futures transactions or for efficient portfolio management (temporary purchases and sales of securities).

Eligible assets include cash, government bonds, private debt instruments, company shares or any other asset agreed between the parties at the time the transaction is entered into, to the extent permitted by regulations. These assets are valued daily at market price, in accordance with the provisions of this section "Asset valuation and recognition rules".

h. Practical alternatives

If the financial data required to value a financial instrument is not available, or if the price recovered for a financial instrument is not representative of market conditions, particularly in the absence of significant transactions, the financial instrument may be valued at its probable trading value under the responsibility of the management company. These valuations and their justification are communicated to the statutory auditor during his audits.

i. Main suppliers of market data

The main suppliers of specialised data used for valuations are Bloomberg and Reuters. This list is subject to change at the discretion of the management company.

8.2 Method of accounting for trading costs

Additions to the portfolio are recorded at their acquisition price, excluding costs, and disposals at their disposal price, excluding costs.

8.3 Accounting method for calculating distributable income

The option chosen for income recognition is that of income received.

Revenue consists of :
- income from securities,
- dividends and interest received at the exchange rate for securities,
- income from cash, securities lending and repurchase agreements and other investments,

- flows received on swap contracts: when the flows on a swap contract are of a different nature, it is the management objective pursued that determines whether they are recognised as capital or income,
- compensation received in an exchange contract with "asymmetrical" terms: when a compensatory amount received is intended to rebalance the flows exchanged, it is the management objective pursued that determines whether it is recognised as capital or income.

From this income is deducted :
- management fees,
- financial expenses and charges on securities lending and borrowing and other investments,
- flows paid on swap contracts: when the flows on a swap contract are of a different nature, it is the management objective pursued that determines whether they are recognised as capital or income,
- Compensation paid in an "asymmetrical" swap contract: when a compensatory amount is paid to rebalance the flows exchanged, it is the management objective pursued that determines whether it is recognised as capital or income.

9. REMUNERATION POLICY

In accordance with the provisions of Directives 2011/61/EU and 2014/91/EU amending Directive 2009/65/EC, and with the provisions of Articles 319-10 and 321-125 of the General Regulations of the Autorité des marchés financiers (AMF), the management company has established a remuneration policy for those categories of staff whose professional activities have a significant impact on the risk profile of the management company or the UCIs it manages. These categories of staff include members of the Management Board, the Head of Compliance and Internal Control, risk controllers, portfolio managers, sales staff and support function managers, and more generally any employee whose professional activities have a substantial impact on the risk profile of Ellipsis AM or the investment funds it manages, and whose overall remuneration is in the same bracket as that of the Management Board and risk-takers.

The remuneration committee is organised in accordance with internal rules that comply with the principles set out in Directives 2011/61/EU and 2014/91/EU amending Directive 2009/65/EC. The management company's remuneration policy is designed to promote sound risk management and discourage risk-taking that exceeds the level of risk it can tolerate, taking into account the investment profiles of the funds under management and putting in place measures to avoid conflicts of interest.

The remuneration policy is reviewed annually. Details of the management company's updated remuneration policy, describing how remuneration and benefits are calculated and the composition of the remuneration committee responsible for awarding remuneration and benefits, are available free of charge on request from the management company's registered office and on the website www.ellipsis-am.com.

* * *

REGULATIONS
Ellipsis Optimal Solutions - Liquid Alternative

TITLE I

ASSETS AND SHARES

Article 1 - Co-ownership shares

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

The characteristics of the different classes of units and their eligibility requirements are set out in the fund's prospectus.

The different classes of units may :
- Benefit from different income allocation regimes;
- Be denominated in different currencies;
- Different management costs;
- Different subscription and redemption fees;
- Have a different nominal value;
- Be accompanied by systematic partial or total risk hedging, as defined in the prospectus. This hedging is carried out using financial instruments that minimise the impact of hedging transactions on the other unit classes of the Fund;
- Be reserved for one or more marketing networks.

The mutual fund reserves the right to consolidate or split units. Units are divided into thousandths known as fractions of units.

The provisions of the regulations governing the issue and redemption of units shall apply to fractional units, the value of which shall always be proportional to that of the unit they represent. All other provisions of the regulations relating to units apply to fractions of units without it being necessary to specify this, except where otherwise provided.

Lastly, the Management Board of the Management Company may, at its sole discretion, divide units by creating new units which are allocated to unitholders in exchange for existing units.

Article 2 - Minimum assets

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

Article 3 - Issue and redemption of shares

Units are issued at any time at the request of unitholders on the basis of their net asset value plus any subscription fees.
Redemptions and subscriptions are carried out in accordance with the terms and conditions set out in the prospectus. Where applicable, the minimum subscription amount is set out in the prospectus.
Mutual fund units may be listed in accordance with the regulations in force.

Subscriptions must be fully paid up on the day the net asset value is calculated. Subscriptions may be made in cash and/or through the contribution of financial instruments. The Management Company has the right to reject securities offered and, to this end, has a period of seven days from the date of their submission in which to make its decision known. In the event of acceptance, the securities contributed are valued in accordance with the rules set out in Article 4 and the subscription is made on the basis of the first net asset value following acceptance of the securities concerned.

Redemptions may be made in cash and/or in kind. If the redemption in kind corresponds to a representative proportion of the portfolio's assets, the UCITS or the management company only needs to obtain the outgoing unit-holder's signed written agreement. Where the redemption in kind does not correspond to a representative proportion of the portfolio assets, all the unitholders must give their written agreement authorising the outgoing unitholder to redeem his units in exchange for certain specific assets, as explicitly defined in the agreement.

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

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

Redemptions are settled by the issuing account holder within a maximum of five days following the valuation of the unit.

However, if, in exceptional circumstances, redemption requires the prior sale of assets held in the fund, this period may be extended, but may not exceed 30 days.
Except in the case of inheritance or gift-share, the sale or transfer of units between unitholders, or from unitholders to a third party, is treated as a redemption followed by a subscription; in the case of a third party, the amount of the sale or transfer must, where applicable, be supplemented by the beneficiary to reach at least the minimum subscription required by the prospectus.

Pursuant to article L. 214-8-7 of the Monetary and Financial Code, the redemption by the FCP of its units, as well as the issue of new units, may be temporarily suspended by the Management Company when exceptional circumstances so require and if the interests of the unitholders so dictate.
When the fund's net assets fall below the amount set by regulations, no units may be redeemed.

Pursuant to the third paragraph of Article L. 214-8-7 of the Monetary and Financial Code, the Fund may cease to issue units, either temporarily or permanently, in whole or in part, in objective situations leading to the closure of subscriptions, such as a maximum number of units issued, a maximum amount of assets reached or the expiry of a given subscription period. Existing unitholders will be informed by any means of the activation of this tool, as well as of the threshold and the objective situation that led to the decision to close the fund partially or completely. In the case of a partial closure, this information will explicitly specify the conditions under which existing unitholders may continue to subscribe for the duration of the partial closure. Unitholders will also be informed by any means of the decision by the UCITS or the management company either to terminate the total or partial closure of subscriptions (when the trigger threshold falls below), or not to terminate it (in the event of a change in the threshold or a change in the objective situation that led to the implementation of this tool). A change in the objective situation invoked or in the threshold triggering the tool must always be made in the interests of the unitholders. The exact reasons for these changes must be communicated by any means.

The FCP's management company may restrict or prevent (i) the holding of units of the FCP by any investor, whether an individual or a legal entity, who is prohibited from holding units of the FCP under the terms of the prospectus, in the section entitled "Subscribers concerned" (hereinafter referred to as "Ineligible Persons"), and/or (ii) registration with the institution responsible for centralising subscription/redemption orders and keeping the unit registers, or with the local transfer agents (the "Registers") of any intermediary mentioned under the heading "relevant subscribers" ("Non-Eligible Intermediary").

To this end, the FCP's management company may :
1° refuse to issue any units where it appears that such issue would or could result in the units being held directly or indirectly by a Non-Eligible Person or a Non-Eligible Intermediary being entered in the Registers;
2° at any time, request an intermediary whose name appears in the Registers to provide it with any information, accompanied by a sworn declaration, that it considers necessary for the purpose of determining whether or not the beneficial owner of the units in question is a Non-Eligible Person; and
3° where it appears to it that the beneficial owner of the units is a Non-Eligible Person or that a Non-Eligible Intermediary is entered in the Registers, proceed with the compulsory redemption of all the units held by the Non-Eligible Person or all the units held through the Non-Eligible Intermediary, after a period of 10 business days. The compulsory redemption will be carried out at the last known net asset value, less any applicable charges, fees and commissions, which will be borne by the Ineligible Person concerned by the redemption.

Article 4 - Calculation of Net Asset Value

The Net Asset Value per unit is calculated in accordance with the valuation rules set out in the prospectus.

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

TITLE II

OPERATION OF THE FUND

Article 5 - The management company

The fund is managed by Ellipsis Asset Management in accordance with the fund's investment policy.

The management company acts in all circumstances in the exclusive interest of the unitholders and has sole authority to exercise the voting rights attached to the securities held in the fund.

Article 5a - Operating rules

The instruments and deposits eligible for inclusion in the UCITS' net assets and the investment rules are described in the prospectus.

Article 6 - The depositary

The custodian carries out the duties incumbent upon it under the legal and regulatory provisions in force, as well as those entrusted to it contractually. In particular, it must ensure that the decisions taken by the portfolio management company are in order. If necessary, it must take any protective measures it deems appropriate. In the event of a dispute with the management company, it shall inform the Autorité des marchés financiers.

Article 7 - The Statutory Auditor

The management company's governing body appoints a statutory auditor for six financial years, subject to the approval of the Autorité des Marchés Financiers.

It certifies that the accounts are true and fair. He may be reappointed.

The statutory auditor is required to report as soon as possible to the Autorité des marchés financiers any fact or decision concerning the undertaking for collective investment in transferable securities of which he has become aware in the course of his duties, of a nature :

1° To constitute a breach of the legal or regulatory provisions applicable to this body and likely to have a significant effect on the financial situation, results or assets ;
2° Undermine the conditions or continuity of its operations;
3° To lead to the expression of reservations or the refusal to certify the accounts.

Asset valuations and the determination of exchange ratios in conversion, merger or demerger transactions are carried out under the supervision of the Statutory Auditor.

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

It checks the composition of assets and other items before publication.

The auditor's fees are set by mutual agreement between the auditor and the Management Board of the management company, on the basis of a work programme specifying the work deemed necessary.

The statutory auditor certifies the situations that serve as a basis for the distribution of interim dividends. His fees are included in the management expenses.

Article 8 - Accounts and management report

At the end of each financial year, the portfolio management company prepares summary documents and a report on the management of the fund during the previous financial year.

The portfolio management company draws up an inventory of the fund's assets at least every six months, under the supervision of the custodian.

The portfolio management company makes these documents available to unitholders within four months of the end of the financial year and informs them of the amount of income to which they are entitled: these documents are either sent by post at the express request of unitholders, or made available to them at the portfolio management company.

TITLE III

METHODS OF ALLOCATING DISTRIBUTABLE SUMS

Article 9 - Allocation of distributable sums

Net income for the year is equal to the amount of interest, arrears, dividends, bonuses and lots, directors' fees and all income relating to the securities in the Fund's portfolio, plus income from sums temporarily available, less management fees and borrowing costs.

The distributable sums are made up of :

1° Net income plus retained earnings plus or minus the balance of the income equalisation account ;

2° Realised capital gains, net of costs, less realised capital losses, net of costs, recorded during the financial year, plus net capital gains of the same nature recorded during previous financial years which have not been distributed or capitalised, less or increased by the balance of the capital gains adjustment account.

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

For each class of units, where applicable, the prospectus provides that the fund adopts one of the following formulae for each of the sums mentioned in 1° and 2° above:

-pure capitalisation: distributable sums are fully capitalised, with the exception of those subject to compulsory distribution by law,

-pure distribution: distributable sums are distributed in full, rounded off to the nearest whole number,

-for share classes that have the option of capitalisation and/or distribution, the Management Company decides each year on the allocation of distributable sums.

The precise terms and conditions for the allocation of distributable sums are set out in the prospectus.

TITLE IV

MERGER - DEMERGER - DISSOLUTION - LIQUIDATION

Article 10 - Merger - Demerger

The management company may either transfer all or part of the assets held in the fund to another UCITS, or split the fund into two or more other common funds.

Such mergers or demergers may only be carried out after the unitholders have been notified. They give rise to the issue of a new certificate specifying the number of shares held by each shareholder.

Article 11 - Dissolution - Extension

If the Fund's assets remain below the amount set out in article 2 above for a period of thirty days, the Management Company will inform the Autorité des marchés financiers and, unless the Fund is merged with another mutual fund, will dissolve the Fund.

The management company may dissolve the fund early; it will inform unitholders of its decision and from that date subscription or redemption requests will no longer be accepted.

The Management Company will also dissolve the Fund in the event of a request for redemption of all the units, the termination of the custodian's duties if no other custodian has been appointed, or the expiry of the Fund's term if it has not been extended.

The management company informs the Autorité des Marchés Financiers by letter of the date and procedure chosen for dissolution. It will then send the auditor's report to the Autorité des Marchés Financiers.

The extension of a fund may be decided by the management company in agreement with the custodian. The decision must be taken at least 3 months before the expiry of the fund's term and must be notified to the unitholders and the Autorité des Marchés Financiers.

Article 12 - Liquidation

In the event of dissolution, the Management Company shall act as liquidator; failing this, the liquidator shall be appointed by the courts at the request of any interested party. To this end, they are vested with the broadest powers to realise the assets, pay any creditors and distribute the available balance among the unitholders in cash or securities.

The Statutory Auditor and the Custodian shall continue to perform their duties until the end of the liquidation.

TITLE V

CONTESTATION

Article 13 - Jurisdiction - Choice of domicile

Any disputes relating to the Fund which may arise during its period of operation or during its liquidation, either between the unitholders or between the unitholders and the Management Company or the Custodian, shall be submitted to the jurisdiction of the competent courts.

INFORMATION FOR INVESTORS IN SWITZERLAND

1) Representative in Switzerland
The representative is ACOLIN Fund Services AG, Maintower, Thurgauerstrasse 36/38, 8050 Zürich.

2) Paying Agent in Switzerland
The paying agent is Banque Cantonale de Genève, 17 quai de l'Ile, CH-1204 Geneva.

3) Place of distribution of the relevant documents
The prospectus, the Key Investor Information Documents, the fund regulation or the articles of association as well as the annual and semi-annual reports may be obtained free of charge from the representative.

4) Publications
The fund is published in Switzerland on the electronic platform www.fundinfo.com.
The issue and redemption prices and/or the net asset value, with the mention "commissions not included", are published each time units are issued and redeemed on the electronic platform www.fundinfo.com. The prices are published daily.

5) Payment of retrocessions and rebates

1. The management company and its agents may pay retrocessions to remunerate the distribution of fund units in Switzerland. In particular, this fee is used to remunerate the following services:

- Any offer and/or advertising for the fund, including any commercial activity, such as the organisation of road shows, participation in fairs and presentations, preparation of marketing material, training of distributors, etc.

Retrocessions are not considered as rebates, even if they are ultimately returned in full or in part to investors.
Information on the receipt of retrocessions is governed by the relevant provisions of the LSFin.
The fund and its agents may grant rebates directly to investors, upon request, in connection with distribution in Switzerland. The rebates serve to reduce the fees or costs incurred by the investors concerned. Discounts are permitted subject to the following:

- they are paid out of the fund's fees and are therefore not charged additionally to the fund's assets ;
- they are granted on the basis of objective criteria;
- they are granted at the same time and to the same extent to all investors who meet the objective criteria and apply for rebates.

The objective criteria for granting rebates by the fund are :

- the volume subscribed by the investor or the total volume held by the investor in the fund, or where applicable in the promoter's product range
- the amount of fees generated by the investor;
- the financial behaviour of the investor (e.g. expected investment period);
- the investor's willingness to support the launch phase of a fund.

At the investor's request, the fund will disclose the amount of the corresponding discounts free of charge.

6) Place of performance and jurisdiction
For fund units offered in Switzerland, the place of performance is the registered office of the representative. The place of jurisdiction is the registered office of the representative or the registered office or place of residence of the investor.