

Ellipsis Disruption Convertible Fund

ISIN codes

YEUR unit: FR0014009MG7

Y2EUR unit: FR001400NE60

YCHF unit: FR0014009MH5

Y2CHF unit: FR001400NE78

Y2USD unit: FR001400MM61

SEUR unit: FR0014009MMI3

SCHF unit: FR0014009MJ1

SUSD unit: FR001400MM87

IEUR unit: FR0014009MK9

ICHF unit: FR0014009ML7

IUSD unit: FR0014009M98

JEUR unit: FR0014009MA0

JCHF unit: FR0014009MC6

JUSD unit: FR0014009MB8

PEUR unit: FR0014009MD4

PCHF unit: FR001400MM79

PUSD unit: FR0014009ME2

Z unit: FR0014009MF9

UCITS compliant with European Directive 2009/65/EC (UCITS IV)

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RULES

PROSPECTUS

ELLIPSIS DISRUPTION CONVERTIBLE FUND

UCITS compliant with European Directive 2009/65/EC (UCITS IV)

1. GENERAL CHARACTERISTICS

Structure of the UCITS:

Name

ELLIPSIS DISRUPTION CONVERTIBLE FUND

Legal form and Member State in which the Fund was established

The UCITS is a French mutual fund (Fonds Commun de Placement, FCP).

Creation date and intended lifetime

The Fund was approved by the AMF on 13 May 2022 and launched on 5 July 2022, for a duration of 99 years.

Fund overview

Unit	ISIN	Initial net asset value	Allocation of distributable sums	Currency	Target investors	Minimum initial of initial subscription
YEUR	FR0014009MG7	EUR 100,000	Accumulation	EUR	All investors, more specifically intended for institutional investors	EUR 30,000,000 ^{1,2}
Y2EUR	FR001400NE60	EUR 100,000		EUR		EUR 1,000,000 ^{1,3}
YCHF	FR0014009MH5	CHF 100,000		CHF		CHF 30,000,000 ^{1,2}
Y2CHF	FR001400NE78	CHF 100,000		CHF		CHF 1,000,000 ^{1,3}
Y2USD	FR001400MM61	USD 100,000		USD		CHF 1,000,000 ^{1,3}
SEUR	FR0014009MI3	EUR 100,000	Accumulation	EUR	All investors, more specifically intended for institutional investors	EUR 10,000,000 ¹
SCHF	FR0014009MJ1	CHF 100,000		CHF		CHF 10,000,000 ¹
SUSD	FR001400MM87	USD 100,000		USD		CHF 10,000,000 ¹
IEUR	FR0014009MK9	EUR 100,000	Accumulation	EUR	All investors, more specifically intended for institutional investors	EUR 1,000,000 ¹
ICHF	FR0014009ML7	CHF 100,000		CHF		CHF 1,000,000 ¹
IUSD	FR0014009M98	USD 100,000		USD		USD 1,000,000 ¹
JEUR	FR0014009MA0	EUR 10,000	Accumulation	EUR	All investors, more specifically intended for investors who subscribe through distributors or intermediaries: - providing a service of investment advisory or of portfolio management within a discretionary mandate, - exclusively remunerated by the investors.	None
JUSD	FR0014009MB8	USD 10,000		USD		
JCHF	FR0014009MC6	CHF 10,000		CHF		
PEUR	FR0014009MD4	EUR 1,000	Accumulation	EUR	All investors	None
PCHF	FR001400MM79	CHF 1,000		CHF		
PUSD	FR0014009ME2	USD 1,000		USD		
Z	FR0014009MF9	EUR 10,000	Accumulation	EUR	Reserved for entities of the Kepler Cheuvreux Group, UCIs and mandates managed by the Management Company and its employees	None

¹Amounts not applicable to entities and OPCs of the Kepler Cheuvreux group. Subscriptions made by entities belonging to the same group may be combined.

²Class "Y" units have been closed to new subscriptions since 31 January 2024, and only existing holders have the right to continue to subscribe to this class of units.

³Subscription to this class of shares will be closed to any new investor once the net assets of the FCP reach 100 million euros. Only existing holders will then be able to continue subscribing to this class of shares. The Management Company may suspend/reopen subscriptions to this class of shares after having previously informed the holders by any means (i.e., website).

Place where the latest annual report or periodic statement can be obtained

The latest annual and periodic documents are available on the website www.ellipsis-am.com or will be mailed within eight business days if the investor sends a written request to the following address:

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

Additional information can be obtained from your usual point of 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
Société anonyme (limited liability company) with a board of directors and a supervisory board
Portfolio management company authorised by the AMF under number GP 11-000014 on 2 May 2011
112 avenue Kleber - 75116 Paris

Depository and custodians

Societe Generale S.A.
Credit institution approved by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and subject to the supervision of the French Financial Markets Authority (AMF).
Registered office: 29 Boulevard Haussmann - 75009 Paris
Postal address: 75886 Paris cedex 18

The services provided by the depository and custodian include keeping a register and safeguarding the Fund's assets, ensuring that the decisions taken by the Management Company are in keeping with the law, monitoring the Fund's cash flows and performing optional ancillary services, such as managing liabilities. Potential conflicts of interest may be identified, particularly in the event that the Management Company also maintains commercial relations with the depository and custodian in parallel with its appointment as depository. The depository and custodian has implemented and maintains a conflict of interest management policy and undertakes to make every effort to prevent conflicts of interest.

The safeguarding of the Fund's assets may be delegated by the depository and custodian. To that end, the depository and custodian shall (i) ensure that the sub-custodian is duly authorised to manage and safeguard the financial instruments and (ii) supervise the transactions carried out. The depository and custodian has implemented a system to prevent the occurrence of conflicts of interest that may result from the delegation of the custody of assets.

The list of sub-custodians and further details are available at www.ellipsis-am.com, and a paper copy is available free-of-charge on request. Updated information will also be provided to investors on request.

Bank responsible for centralising subscription and redemption requests and Registrar, as delegated by the Management Company:

Societe Generale
32 rue du Champ de Tir - 44000 Nantes

Statutory Auditor

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

Promoters

Ellipsis Asset Management

This is not a comprehensive list of promoters as, in particular, the UCITS is admitted for trading on Euroclear. Accordingly, some promoters may not have a mandate from, or be known to, the Management Company.

Representatives

Ellipsis Asset Management will assume sole responsibility for the investment management of the Fund.

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

The services provided by the administrative manager and accountant include the calculation of the Fund's net asset value. Once determined, the net asset value must be approved by the Management Company before publication. The administrative manager and accountant's obligations are best efforts obligations. The administrative manager and accountant shall endeavour to prevent the occurrence of conflicts of interest.

Advisers

None

3. MANAGEMENT AND ADMINISTRATION PROCEDURES

3.1 General Characteristics

Characteristics of the units

Nature of rights attached to the units: each unitholder has a co-ownership right in and to the assets of the Fund proportional to the number of units held.

Custodian duties: the depository acts as custodian. The Fund is listed on Euroclear France.

Voting rights: as the Fund is a co-ownership of transferable securities, no voting rights are attached to units held. Decisions regarding the Fund are taken by Ellipsis Asset Management in unitholders' best interests.

Type of units: bearer

Decimalisation of units: each unit may be divided into thousandths of units.

YEAR-END

Final net asset value calculation date in September. First closing date of the Fund: Final net asset value calculation date in September 2023.

TAX REGIME INFORMATION

Investors should be aware that the following information is only a general overview of the tax regime applicable to investors in a French fund according to current French legislation. Investors are therefore advised to assess their personal situation with their usual tax adviser.

Taxation at Fund level

Due to their co-ownership structure, FCPs are ipso jure outside the scope of application of corporation tax in France; they therefore enjoy a certain level of transparency so that income received and earned by the Fund in the course of its investment activities is not taxable at this level.

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

Taxation at unitholder level

The tax regime applicable to amounts paid out by the Fund or to capital gains or losses realised or unrealised by the Fund depends on tax arrangements applicable to the investor's individual situation and/or the jurisdiction in which the Fund is invested. Investors are advised to assess their personal situation with their usual tax adviser.

3. 2 Specific provisions

a. ISIN

ISIN of YCHF units:	FR0014009MH5
ISIN of Y2CHF units:	FR001400NE78
ISIN of YEUR units:	FR0014009MG7
ISIN of Y2EUR units:	FR001400NE60
ISIN of Y2USD units:	FR001400MM61
ISIN of SEUR units:	FR0014009MI3
ISIN of SCHF units:	FR0014009MJ1
ISIN of SUSD units:	FR001400MM87
ISIN of IEUR units:	FR0014009MK9
ISIN of ICHF units:	FR0014009ML7
ISIN of IUSD units:	FR0014009M98
ISIN of JEUR units:	FR0014009MA0
ISIN of JCHF units:	FR0014009MC6
ISIN of JUSD units:	FR0014009MB8
ISIN of PEUR units:	FR0014009MD4
ISIN of PCHF units:	FR001400MM79
ISIN of PUSD units:	FR0014009ME2
ISIN of Z units:	FR0014009MF9

b. Investment objective

The Ellipsis Disruption Convertible Fund aims to achieve, over the recommended investment period of 5 years, an average annual performance net of management fees that is higher than the reference money market rate of the share's currency increased by 3.1% for PCHF, PEUR, and PUSD share classes, 3.8% for JCHF and JUSD share classes, 4.15% for SEUR and SUSD share classes, 4.35% for Y2CHF, Y2EUR, and Y2USD share classes, 4.85% for Z share classes, and 5% for other share classes, through active directional management of international convertible bonds.

c. Benchmark indicator

The fund has an absolute performance objective and therefore does not have a single benchmark indicator. However, considering the fund's management objective and although it is not a money market fund, the fund's performance can be retrospectively compared to that of the reference money market index of the currency of the subscribed share, increased by 3.1% for PCHF, PEUR, and PUSD share classes, 3.8% for JCHF and JUSD share classes, 4.15% for SEUR and SUSD share classes, 4.35% for Y2CHF, Y2EUR, and Y2USD share classes, 4.85% for Z share classes, and 5% for other share classes.

• Shares denominated in EUR:

The capitalized €STR ("ESTER" or "Euro Short-Term Rate"): a short-term interbank reference interest rate in the eurozone, published starting from October 2, 2019. It is calculated daily by the European Central Bank (ECB) based on the previous day's transactions. For additional information, you can visit the following website: <https://www.ecb.europa.eu>.

• Shares denominated in CHF:

The capitalized SARON ("Swiss Average Rate Overnight"): a Swiss money market reference rate that reflects the conditions of day-to-day transactions in the collateralized Swiss franc money market. It is administered and published by SIX Financial Information Ltd and can be accessed on the following website: <https://www.six-group.com/en/products-services/the-swiss-stock-exchange/market-data/indices/swiss-reference-rates.html>.

• **Shares denominated in USD:**

The capitalized SOFR ("Secured Overnight Financing Rate"): a rate that measures the cost of overnight cash borrowings secured by U.S. Treasury securities. SOFR includes all repurchase agreement transactions (of types "Broad General Collateral" and "Bilateral Treasury") cleared through the DVP (Delivery-versus-Payment) service offered by the FICC (Fixed Income Clearing Corporation), filtered to remove transactions considered "special". Additional information on this index can be found on the website of the Federal Reserve Bank of New York: <https://www.newyorkfed.org/markets/reference-rates/sofr>.

The money market indices used to calculate the performance fee are only used to compare performance, and the management of the Fund is not constrained by these indices. As a result, the Fund's performance may deviate significantly from that of these indices.

In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 (hereinafter the "Benchmark Regulation"), the administrator of the SARON index, SIX Financial Information Ltd, is registered with the register of administrators and benchmarks maintained by the European Securities and Markets Authority (hereinafter, "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 from Article 2.2 of the Benchmark Regulation as they are central banks and as such do not have to be registered with the ESMA.

In accordance with the Benchmark Regulation, the Management Company has a procedure in place regarding the oversight of the benchmarks used which describes the measures to implement in case of substantial changes to or elimination of a benchmark.

d. Investment strategy

d.1 Strategy Overview

The investment strategy is based on discretionary management, and the Fund invests mainly in international convertible bonds and similar securities, including in emerging countries, from public or private issuers, which the Management Company has identified as being exposed to a "disruption" theme.

The strategy consists of focusing on the investment opportunities presented by companies benefiting from one or more of the following characteristics :

- (i) a technological innovation with large-scale adoption potential ; or
- (ii) the creation of a product or service that responds to a societal issue or is at the origin of a new consumption habit ; or
- (iii) a regulatory change leading to a change in the market.

For example, the investment orientation includes, but is not limited to, companies that are exposed to the following themes :

- digitalisation (i.e. companies that offer solutions that aim to transform traditional processes, objects, tools or professions through information technology in order to make them more efficient),
- changes in consumption habits (i.e. companies that contribute to changing usages and practices in terms of purchasing products and services),
- the fight against global warming (i.e. companies involved in the energy transition, reducing carbon consumption and developing clean or climate-neutral mobility),
- health innovation (i.e. companies specialised in gene therapy, immuno-oncology, genomics, RNA as a vector of care, applying artificial intelligence to health or any other innovative health solution).

Investments will include, but are not limited to, convertible bonds and similar securities of companies that are engaged in or benefit from the adoption of any of these themes. The portfolio manager is free to choose from among the themes in which the fund invests.

The selection of securities will be based on the assessment of financial and non-financial criteria :

- Firstly, qualitative analysis of credit risk aims to ensure the sustainable nature of the issuer's financial and business model. This analysis is based on an assessment of the credit quality, rounded out by a systematic assessment of the quality of governance (e.g. management integrity, independence of the Board of Directors, accounting and tax practices etc.), reputation risks and regulatory risks. As such, each criterion contributes to the qualitative assessment of credit risk without necessarily being disqualifying when taken individually. The objective is to avoid issuers that could be sanctioned by the market in the short or medium terms for their default risk, their governance practices or even the impact of a regulatory change on their model. This first level of analysis may lead to the exclusion of a security.
- Secondly, a 360° multi-criteria analysis, based on 3 areas :
 - a fundamental analysis of the underlying share and its upside potential as well as analysis of the convertible bond issuer's credit risk, with integration of ESG criteria (see paragraph d.2 below) ;
 - a quantitative analysis based on assessment of the technical profile (convexity, yield on maturity, distance from floor) and relative valuations and on analysis of the contractual clauses ;
 - an analysis of information flows, supply/demand balance and liquidity.

This 360° multi-criteria analysis leads to the selection of convertibles and the calibration of positions.

d.2 Integration of ESG criteria into the investment strategy

The fund has no sustainable investment objective.

Under European Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (hereinafter "SFDR"), the Fund belongs to the category of products promoting environmental and/or social characteristics (referred to as "Article 8").

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

1/ Exclusion policies: they cover sensitive sectors related to the fight against climate change and the defence of human rights and rely on lists of excluded issuers established by the BNP Paribas Group. In addition, with regard to the coal sector, the Fund undertakes not to hold any issuers of the exclusion list of the Swiss Association for Responsible Investments SVVK-ASIR: <https://svvk-asir.ch/fr/liste-d-exclusion> in its portfolio, unless it is justified by an internal analysis of the environmental characteristics of the instrument or issuer.

2/ An ESG analysis of securities held in the portfolio covering at least 90% of the securities held in the portfolio, all categories of credit risk combined (investment and high yield category). It excludes issuers for which the sustainability risk - and in particular governance - could call into question the sustainability of the company's economic and financial model, have a significant impact on its market value or result in a significant deterioration in its credit rating.

As part of the selection of securities, the Fund will favour companies whose activity concerns, in particular, changes and developments related to the theme of combating global warming.

As part of the fight against global warming, these activities directly or indirectly contribute to the development of renewable energies (wind, solar, geothermal, hydro, marine, biomass, etc.), energy efficiency and the low carbon footprint of buildings and industrial processes, the development of the circular economy, the adoption of clean transport, the development of climate change adaptation infrastructure, etc.

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

The "Principle Adverse Impacts" (PAI) on sustainability factors, within the meaning of Article 7 of the SFDR, are not currently factored into the Fund's investment decisions due to the lack of available and reliable data in the current market conditions.

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

d.3 Strategy Implementation

The Fund is mainly invested in convertible bonds, exchangeable bonds and similar securities from all geographical regions, including emerging countries, denominated in euros or other foreign currencies.

The Fund is hedged against currency risk, which corresponds to the risk of fluctuation in the denomination currency of each financial instrument against the Fund's reference currency. In addition, each unit of the Fund is hedged against currency risk, which corresponds to the risk of fluctuation in the Fund's reference currency against the currency in which the unit is denominated. As this currency risk hedging will never be perfect, a residual currency risk may persist and represent up to 5% of the net asset value.

In order to diversify or improve the Fund's technical profile, the Fund may invest in so-called "synthetic" convertible bonds or exchangeable bonds issued by banks.

It may also allocate a portion of its assets to bonds, debt securities and money market instruments up to a maximum of 40% of its net assets as well as be exposed to equities and equity securities up to a maximum of 10% of its net assets.

Lastly, the Fund may use derivatives and instruments with embedded derivatives to hedge the portfolio or recreate synthetic exposure to one or more risks in line with the Fund's investment objective.

Allocation is made with no geographical, sectoral or size predominance among the various global markets and with no rating restrictions.

Up to 100% of the Fund's net assets may be exposed to High Yield securities.

The portfolio's average sensitivity to underlying shares and directly invested securities stands at between 10% and 90% and can fluctuate between 30% and 70% of the Fund's net assets in normal market conditions. The Fund's average sensitivity to rates stands at between 0 and +7.

The Fund may invest up to 10% of its net assets in units or shares of French or foreign UCIs or investment funds in order to manage its cash and adjust liability movements.

The Fund may enter into temporary securities purchases and sales transactions to optimise its income.

e. Assets used

• Convertible bonds and similar securities

A minimum of 60% of the Fund's net assets is continuously exposed to international convertible bonds and equivalent securities, including those of emerging markets, public or private, without rating limitation.

This exposure is implemented either by directly holding securities or by recreating the profile of a convertible bond by associating a bond with a derivative, in the event of the supply of this asset class being insufficiently balanced, and with a view to diversifying or improving the Fund's technical profile.

The instruments that can be used are, inter alia, the following :

- Convertible bonds,
- Convertible bonds with warrants attached ("OCABSA"),
- "OCEANE" bonds (convertible or exchangeable for new or existing shares),
- Bonds redeemable in shares (ORA, ORANE, ORABSA),
- Bonds exchangeable for shares,
- Bonds with warrants (OBSA, OBSAR).

• Debt securities and money market instruments

The Fund may expose up to 40% of its net assets to bonds, transferable debt securities and money market instruments of public or private issuers, without any rating restriction. These investments mainly serve to manage cash or diversify the portfolio.

In particular, the Fund may invest in the following securities and instruments:

- Fixed rate bonds,
- Floating rate bonds,
- Bonds convertible into or exchangeable for shares at the holder's option,
- French government bonds (OAT),
- Other : participation certificates, constant maturity treasuries, subordinated debt,
- Index-linked bonds (inflation, constant maturity swaps, etc.),
- Short and middle term negotiable securities,
- EMTNs.

• Shares and equity securities

Up to 10% of the Fund's net assets may be invested in equities and equity securities (such as investment and voting certificates, warrants, etc.). These securities may cover all economic sectors and will include large and mid caps as well as small caps.

• Units and shares of UCIs or investment funds

The Fund may invest up to 10% of its net assets in shares or units of the following UCIs or investment funds :

- French or foreign UCIs in accordance with Directive 2009/65/EC,
- French or foreign UCIs in accordance with Directive 2011/61/EU or foreign investment funds meeting the four conditions set out in Article R. 214-13 of the French Monetary and Financial Code.

UCIs may be used in particular to manage the Fund's cash flow and adjust the Fund's liability movements.

These UCIs may be managed by the Management Company or one of its affiliates.

• Derivative instruments

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

- expose the portfolio to equity, interest rate or credit risk to reconstitute synthetic exposure in line with its investment objective, with a view to diversification,
- hedge the portfolio against currency, interest rate, credit or equity risk.

The derivatives that can be used are listed below:

- Interest rate futures and bond or equity futures,
- Options on futures and options on bonds or equities,
- Forward rate agreements and currency forwards,
- Interest rate swaps and currency swaps,
- Contracts for Difference (CFD on a specific issuer or index),
- Performance swaps (Total Return Swap on a specific issuer, basket of securities or index),
- Credit derivatives (Credit Default Swap on a specific issuer or index).

In pursuit of its investment objective, the Fund may use total return swaps (TRSs) for the purposes of hedging or exposure (long or short).

A Total Return Swap is an over-the-counter swap contract in which two parties exchange flows: from the seller's perspective, the asset's interest rate plus any increase in its value; from the buyer's perspective, a periodic premium plus any depreciation in the value of the asset.

The TRS that the Fund may use are contracts on individual securities, baskets of individual securities, equity indices or bond indices in which the fund may make investments in accordance with its investment objectives against a periodic payment indexed to a benchmark money market rate.

The TRS counterparty can determine neither the composition or management of the Fund's portfolio, nor the underlying asset of the TRS. The counterparty's approval is also not required for any transaction relating to the Fund's portfolio.

The maximum proportion of assets likely to be subject to TRS will not exceed 10% of the Fund's net assets. The expected proportion of assets under management that will be the subject of such transactions may represent between 0% and 10% of net assets

▪Criteria for selecting counterparties for derivative instruments :

These transactions are carried out with French or international counterparties, such as credit institutions or providers of investment services, whose registered offices are located in member countries of the OECD, Hong Kong or Singapore, and whose rating must not be lower than investment category (rating higher than or equal to BBB- or Baa3 according to official rating agencies). These counterparties may also belong to a group to which the Management Company belongs.

There is an operational risk and counterparty risk associated with these transactions subject to the exchange of financial guarantees. Cash financial guarantees received by the UCITS may be reinvested in accordance with the provisions of the paragraph "Collateral Management Policy" of this prospectus.

• Securities with embedded derivatives

The Fund may use instruments with embedded derivatives (for example: certificates, structured EMTN and middle-term negotiable securities, synthetic convertible bonds, callable bonds, puttable bonds, subscription certificates, warrants, etc.) to expose the portfolio to equity, interest rate or credit risk in order to recreate synthetic exposure in line with its investment objective, for diversification purposes.

• Deposits

When investing its cash, the Fund may make deposits in accordance with the terms of Article R. 214-14 of the French Monetary and Financial Code.

• Temporary purchases and sales of securities

The Fund may engage in the temporary purchase (reverse repurchase and borrowing) and sale (repurchase and lending) of securities.

These operations aim at selling or purchasing temporarily debt securities, money market instruments, as well as shares and equity securities in order to optimise the Fund's income.

- The Fund may engage in securities purchasing transactions up to 100% of its net assets. It is expected that 0-10% of assets under management will be involved in such transactions.
- The Fund may engage in the temporary sale of securities up to 50% of its net assets. It is expected that 0-20% of assets under management will be involved in such transactions.

Proceeds from the temporary purchase or sale of securities are payable in full to the Fund.

These transactions are carried out with French or international counterparties, such as credit institutions or providers of investment services, whose registered offices are located in member countries of the OECD, Hong Kong or Singapore, and whose rating must not be lower than investment category (rating higher than or equal to BBB- or Baa3 according to official rating agencies). These counterparties may also belong to a group to which the Management Company belongs.

There is an operational risk and counterparty risk associated with these transactions subject to the exchange of financial guarantees. Cash financial guarantees received by the UCITS may be reinvested in accordance with the provisions of the paragraph "Collateral Management Policy".

- Cash borrowing

The Fund reserves the option of borrowing up to 10% of its net assets in cash.

f. Collateral Investment Policy

Collateral denotes all the assets pledged as security as part of derivatives transactions traded OTC or as part of effective portfolio management operations (temporary purchases and sales of securities).

To this end, collateral received in order to reduce counterparty risk must meet, inter alia, the liquidity, evaluation and issuer credit quality criteria, as well as correlation and diversification criteria reiterated in the regulations, particularly in AMF position 2013-06.

The types of eligible assets used include liquid assets, government bonds, private debt instruments, company shares or any other asset agreed between the parties when concluding the transaction, up to the limit authorised in the regulations. These assets are valued at market value on a daily basis pursuant to the provisions of the section entitled "Asset valuation and accounting rules" and are subject to daily variation margins. A discount policy has been drawn up by the Management Company and configured for each type of asset received depending on the market value. It is based on an extreme risk measure (VaR 95%) over an investment horizon in line with the point at which these positions will be closed. Assets received by the FCP are held by the custodian.

The Management Company reserves the right to reject any collateral assets it deems inappropriate based on internal criteria. A list of assets or types of asset to be rejected is kept up to date by the Management Company, Ellipsis AM. Any additions or deletions of a security or asset category are validated by the risk committee.

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

g. Total exposure

Total risk exposures resulting from securities commitments and positions may not exceed 200% of the net assets.

However, the strategy implemented by the fund does not aim to generate overexposure to the market.

h. Risk profile

Your money shall be invested mainly in financial instruments selected by the Management Company. These instruments shall be subject to the evolution and fluctuations of the market.

- Risk that investors may not recover the full amount of their initial investment

The Fund does not provide a capital guarantee. As such, there is a risk that Fund unitholders may not recover the full amount of their initial investment on maturity or at any other time. Potential investors should be aware that their subscriptions and the Fund's investments are subject to normal market fluctuations as well as other risks inherent in any investment in transferable securities. Accordingly, only investors with a sufficient knowledge and understanding of financial markets and who are able to bear the loss of their initial investment should invest in the Fund. There is no guarantee or certainty that the value of investments and deposits made by the Fund will rise or that the Fund's investment objectives will actually be achieved. The value of investments and subsequent returns may rise or fall sharply and, in the latter case, present a significant risk of Fund unitholders losing their initial investment.

- Risk relating to discretionary management

The discretionary management approach is based on expectations of changes in the different markets or strategies pursued by the Fund. There is a risk that the product may not be invested in the best performing markets or financial instruments at all times.

- Risk associated with an investment in convertible bonds

The value of convertible bonds depend on several factors : interest rate levels, change in prices of underlyings or change in price of the derivative integrated into the convertible bond. These various considerations may lead to a fall in the net asset value of the Fund.

- Credit risk

Credit risk represents the possibility of an issuer being downgraded or even defaulting, and the negative impact on the valuation or price of the affected security. When it materialises, credit risk has a direct negative impact on the net asset value (NAV) of the Fund. The Fund's investment strategy may expose the Fund to a high credit risk; this is all the more the case as the Fund may be invested in speculative

securities with a low or no rating. Falls in the price of these securities may be quicker and steeper than for investment grade securities, causing the net asset value to fall more quickly and more steeply.

- Interest rate risk

Interest rate risk relates to the possibility of bond yields rising. Such an eventuality would cause the price or valuation of bonds to fall, thereby decreasing the net asset value of the Fund.

- Equity risk

If the equities underlying convertible bonds and similar securities or equities held directly in the portfolio or the indices to which the portfolio is exposed were to fall, the net asset value may also fall.

- Volatility risk

This risk is linked to an asset's propensity to rise or fall sharply for specific reasons or due to general financial market trends. The greater this asset's propensity to move sharply over short periods of time, the more this asset is said to be volatile and therefore risky.

- Counterparty risk

Counterparty risk relates to the possible failure to pay a flow (or liability) by a counterparty with which positions have been exchanged and undertakings signed. This risk is tempered by the counterparty selection process implemented by Ellipsis AM. The significance of this risk for the holder of the Fund will depend on the level of allocation realised in the underlying strategies subjected to this type of risk.

- Risk associated with illiquid securities

The Fund may be invested in securities issued in small volumes. This means that liquidity may be limited, amplifying market rises and falls.

- Currency risk

The Fund is hedged against currency risk, which corresponds to the risk of fluctuation in the denomination currency of each financial instrument against the Fund's reference currency. In addition, each unit of the Fund is hedged against currency risk, which corresponds to the risk of fluctuation in the Fund's reference currency against the currency in which the unit is denominated. However, up to 5% of the Fund's net assets may be exposed to a residual currency risk.

- Sustainability risk :

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

- Risk related to intervention in emerging markets :

The Fund may be exposed to emerging markets. Emerging markets are stock markets whose liquidity and security characteristics do not always meet the usual standards of major international markets and may involve greater risks, particularly market, liquidity and foreign exchange risks.

- Risk associated with financial instruments

The Fund is exposed to risks associated with derivative financial instruments, in particular:

- rises and falls in the price of financial instruments in line with changes in the price of their underlying,
- divergences between the price of financial instruments and the value of these instruments' underlying,
- the possibility that these instruments' liquidity may occasionally be reduced on the secondary market,
- a counterparty default risk (see counterparty risk).

The use of financial instruments may therefore lead to specific losses for the Fund, which would not have occurred if such strategies had not been applied.

- Operational risk

The Fund may incur the risk of loss resulting from inadequate internal processes, human error or failed systems of the Portfolio Management Company, or resulting from external events, as well as legal risk and documentation risk, and the risk resulting from trading procedures, and regulation and evaluation procedures implemented on behalf of the Fund.

- Potential conflicts of interest risk

Risk associated with over-the-counter transactions where the Fund's counterparty is an entity associated with a group to which the Management Company belongs and risk associated with potential conflicts between holders and clients. This risk is managed by a conflicts of interest management system, the main provisions of which are available at www.ellipsis-am.com.

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

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.

Furthermore, operational or legal risks are very limited due to an appropriate operational process, the custody of collateral received from the UCITS depositary and the management of this type of transaction under master agreements with each counterparty.

Finally, the risk of reuse of collateral is very limited because only cash collateral is reused in accordance with UCITS regulations.

i. Guarantee or Protection

The Fund does not guarantee or protect the capital invested.

j. Target investors and investor profile

Y & Y2 units : All investors, more specifically intended for institutional investors.¹

S units : All investors, more specifically intended for institutional investors.

I units : All investors, more specifically intended for institutional investors.

J units : All investors, more specifically intended for investors who subscribe through distributors or intermediaries:

- providing a service of investment advisory or of portfolio management within a discretionary mandate,
- exclusively remunerated by the investors.

P units : All investors

Z units : Reserved for entities of the Kepler Cheuvreux Group, mutual funds and mandates managed by the Management Company and its employees.

The Fund's risk profile means it will be of interest to investors seeking exposure to international convertible bond markets, including those of emerging countries.

Minimum recommended investment period : more than 5 years

The appropriate amount to be invested in the Fund depends on the personal situation of the investor. To determine this amount, investors should take account of their personal wealth and/or assets, cash requirements now and over the life of the Fund and their degree of risk appetite or aversion. Investors are also advised to sufficiently diversify their investments to avoid being exposed only to the risks of this Fund.

Although the units of this Fund are open to all subscribers, Ineligible Persons, as well as the Ineligible Intermediaries as defined hereunder, are not authorised to subscribe nor to hold directly units of the UCITS, nor to be registered with the Bank responsible for centralising subscription and redemption requests and Registrar Fund's register or the local transfer agent's register.

1 Subscription to this class of shares will be closed to any new investor once the net assets of the FCP reach 100 million euros. Only existing holders will then be able to continue subscribing to this class of shares. The Management Company may suspend/reopen subscriptions to this class of shares after having previously informed the holders by any means (i.e., website).

Ineligible Persons:

- "U.S. Persons", as defined by U.S. Regulation S of the SEC (Part 230-17 CFR 230.903): the Fund is not, and will not be, registered under the U.S. Securities Act of 1933 nor under the Investment Company Act of 1940. Any resale or disposal of units to the United States of America or to a "U.S. Person", as defined by U.S. Regulation S, may constitute a violation of U.S. law and requires the prior written consent of the Management Company. The unit offering has not been authorised or rejected by the SEC, the special commission of a U.S. State or any other U.S. regulatory authority, nor have the aforementioned authorities given an opinion or recognised the merits of this offering, nor the accuracy or adequacy of the documents relating to this offer. Any assertion in this respect is contrary to law;
- Specified U.S. Person in the sense of the Foreign Account Tax Compliance Act (FATCA) of 2010, defined by the intergovernmental agreement signed between France and the United States on 14 November 2013;
- Reportable Person and Passive Non Financial Entity (NFE) with Controlling Persons who are Reportable Persons under Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (DAC), or any equivalent concept under the multilateral competent authority agreement on automatic exchange of financial account information signed by France on 29 October 2014 (CRS).

Ineligible Intermediaries:

- Financial institutions that are not Participating Financial Institutions under FATCA, as well as Passive Non-Financial Foreign Entities under FATCA;
- Financial institutions that are not Financial Institutions or an equivalent concept under CRS/DAC.

The definition of these concepts are available through 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 FCP units must, where necessary, certify in writing that they are not "U.S. Persons" as per Regulation S, Specified US Persons as per FATCA and/or Reportable Persons or any equivalent concept as per CRS/DAC.

All unitholders must immediately inform the Management Company should they become an Ineligible Person. Any unitholder that becomes an Ineligible Person will no longer be permitted to purchase new units. The Management Company reserves the right to carry out a compulsory redemption of any units held directly or indirectly by an Ineligible Person or via an Ineligible Intermediary, or if the holding of the units by any person is contrary to law or to the best interests of the UCITS.

Unitholders are informed that, when appropriate, the Management Company, the Registrar or any other intermediary account holder may have to communicate to any financial authority or equivalent body personal information of the unitholders, such as names, tax identification numbers, addresses, birth dates, account numbers as well as any financial information concerning the accounts in question (balances, values, amounts, gains 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 deemed compliant financial institution (Annex II, II, B of the aforementioned agreement).

CRS/DAC status of the FCP is non-reporting financial institution from the category Investment Entity, qualifying for the exempt collective investment vehicle regime.

k. Procedures for determining and allocating distributable sums

¹ La souscription à cette classe de parts sera fermée à toute nouvel investisseur dès lors que les encours du FCP atteindront 100 millions d'euros. Seuls les porteurs existants pourront alors continuer à souscrire cette classe de parts. La Société de Gestion pourra suspendre / rouvrir à la souscription cette classe de parts après en avoir préalablement informé les porteurs par tout moyen (i.e. site Internet).

Distributable sums are composed of:

- 1° The net income plus retained earnings, plus or minus the balance of the income equalisation account;
- 2° Realised gains, net of fees, minus realised losses, net of fees, recognised during the financial year, plus net realised gains of the same type recognised during previous financial years, which have not been distributed or accrued, plus or minus the balance of the capital gains equalisation account.

All unit classes: accumulation

I. Frequency of distributions

All unit classes: None

m. Characteristics of the units or shares

Subscriptions are for a given number of units or for a specific amount. Redemptions are for a given number of units. Units are divided into thousandths of units.

The denomination currency of the shares is the euro, except for the YCHF, Y2CHF, SCHF, ICHF, JCHF, and PCHF shares, which are denominated in Swiss francs, and the IUSD, JUSD, PUSD, SUSD, and Y2USD shares, which are denominated in U.S. dollars.

n. Subscription and redemption procedures

- Date and frequency of net asset value calculations:

The net asset value is calculated on the basis of the day's closing prices, except on French public holidays Target 2 non-trading days and non-trading days in New York. In this case, the NAV will be calculated on the basis of the closing price on the next business day.

Subscription/redemption requests are received each business day until 5 p.m. Paris time for execution on the next Net Asset Value in accordance with the table below:

D-1 working day	D-1 working day	D business day: day of establishment of the Net Asset Value	D+1 working day	D+2 working days	D+2 working days
Centralisation of subscription orders before 5 p.m. ¹	Centralisation of redemption orders before 5 p.m. ¹	Execution of order no later than D	Publication of the Net Asset Value	Settlement of subscriptions	Settlement of redemptions

¹ Unless any other specific deadline has been agreed with your financial institution.

Particular attention must be paid to the technical deadlines of financial intermediaries or promoters who apply their own cut-off time for receipt of subscription/redemption orders, prior to the schedule indicated above, in order to take into account the deadlines for transmitting these orders to the Fund's depository.

- Minimum investment:

Initial Subscriptions :

No minimum threshold for J, P, and Z share classes.

- 30,000,000 EUR/CHF for YEUR/YCHF shares, except for entities and OPCs of the Kepler Cheuvreux group. Subscriptions made by entities belonging to the same group may be combined.²
- 1,000,000 EUR/CHF/USD for Y2EUR/Y2CHF/Y2USD shares, except for entities and OPCs of the Kepler Cheuvreux group. Subscriptions made by entities belonging to the same group may be combined.³
- 10,000,000 EUR/CHF/USD for SEUR/SCHF/SUSD shares, except for entities and OPCs of the Kepler Cheuvreux group. Subscriptions made by entities belonging to the same group may be combined.
- 1,000,000 EUR/CHF/USD for IEUR/ICHF/IUSD shares, except for entities and OPCs of the Kepler Cheuvreux group. Subscriptions made by entities belonging to the same group may be combined.

Subsequent subscriptions: 1 thousandth of a unit

- Address to which subscription and redemption requests should be sent:

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

- Arrangements for the publication or communication of the NAV:

The NAV will be available on the www.ellipsis-am.com website and via leading financial data providers. The NAV will also be published at the premises of the Management Company at the following address:

Ellipsis Asset Management
112 avenue Kleber - 75116 Paris

² Class "Y" units have been closed to new subscriptions since 1 October 2022, and only existing holders have the right to continue to subscribe to this class of units.

³ Subscription to this class of shares will be closed to any new investor once the net assets of the FCP reach 100 million euros. Only existing holders will then be able to continue subscribing to this class of shares. The Management Company may suspend/reopen subscriptions to this class of shares after having previously informed the holders by any means (i.e., website).

- Redemption Cap Mechanism ("Gates")

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

4. FEES AND EXPENSES

4.1 Fund subscription and redemption fees

The Fund's subscription fees increase the subscription price paid by the investor, while redemption fees decrease the redemption price. The fees payable to the Fund serve to cover the costs incurred by the Fund to invest and disinvest investors' monies. Fees not payable to the Fund are allocated to the Management Company and/or distributors.

Fees and expenses payable by the investor at the time of subscriptions and redemptions	Basis	Rate
Subscription fee payable to third parties	NAV * number of units subscribed	None
Subscription fee payable to the Fund	NAV * number of units subscribed	None
Redemption fee payable to third parties	NAV * number of units redeemed	None
Redemption fee payable to the Fund	NAV * number of units redeemed	None

4.2 Fund management and administration fees

Management and administration fees include all fees charged directly to the Fund, except transaction costs. Transaction costs include intermediary fees (brokerage, stock market taxes, etc.) as well as transaction fees, if any, that may be charged by the depositary and the Management Company in particular.

For more information on the fees actually invoiced to the Fund, please refer to the Key Investor Information Document.

Fees charged to the Fund	Basis	Rate
1 Financial management fees (maximum annual rate inclusive of tax) Provisions will be made for these fees on each NAV calculation day, recorded on the Fund income statement and debited quarterly.	Net assets	P units: maximum 1.90 % inclusive of tax J units: maximum 1.20% inclusive of tax I units: maximum 1.00% inclusive of tax S units: maximum 0.85% inclusive of tax Y & Y2 units: maximum 0.65% inclusive of tax Z units: maximum 0.15% inclusive of tax
2 Administrative fees external to the Management Company (statutory auditor, depositary, valuation agent, account holder, technical distribution fees, lawyers, benchmark license fees, etc.)	Net assets	Borne entirely by the Management Company
3 Maximum indirect fees (management fees and charges)	Net assets	Not significant
4 Transaction fees	Fixed fee on each transaction	From €0 to €100 maximum incl. tax collected by the depositary From €0 to €100 incl. tax collected by the Management Company
5 Performance fees	Net assets	P Shares: 15% inclusive of tax on the annual net outperformance of the fund relative to the capitalized €STR / SARON / SOFR + 3.10% JCHF and JUSD Shares: 15% inclusive of tax on the annual net outperformance of the fund relative to the capitalized SARON / SOFR + 3.80% SEUR and SUSD Shares: 15% inclusive of tax on the annual net outperformance of the fund relative to the capitalized €STR / SOFR + 4.15% Y2CHF, Y2EUR, and Y2USD Shares: 15% inclusive of tax on the annual net outperformance of the fund relative to the capitalized €STR / SARON / SOFR + 4.35% Other I, Y, JEUR, and SCHF Shares: For share classes denominated in EUR: 15% inclusive of tax on the annual net outperformance of the fund relative to the capitalized €STR + 5% For share classes denominated in CHF: 15% inclusive of tax on the annual net outperformance of the fund relative to the capitalized SARON + 5% For share classes denominated in USD: 15% inclusive of tax on the annual net outperformance of the fund relative to the capitalized SOFR + 5% Z Share: None

Financial research fees may also be charged to the Fund.

The fees referred to below may be excluded from the five blocks of fees mentioned above:

- contributions owed for the management of the Fund in accordance with section II, paragraph 3 d) of Article 621-5-3 of the French Monetary and Financial Code;
- one-off and non-recurring taxes, charges, fees and government duties (relating to the Fund);
- one-off and non-recurring costs associated with debt recovery or a procedure to assert a right (e.g. share class procedure);

information relating to these fees is also set out ex post in the Fund's annual report.

Details of the performance fee

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

- 15% inclusive of tax on the annual net performance of the fund, excluding provisions for variable management fee commissions, beyond the reference monetary index used for calculating the outperformance commission, depending on the denomination currency of the share (€STR for shares denominated in EUR, SARON for shares denominated in CHF, and SOFR for shares denominated in USD), increased by 3.1% for PCHF, PEUR, and PUSD share classes, 3.8% for JCHF and JUSD share classes, 4.15% for SEUR and SUSD share classes, 4.35% for Y2CHF, Y2EUR, and Y2USD share classes, 4.85% for Z share classes, and 5% for other share classes. The provision for variable management fees is adjusted at each calculation of the net asset value, based on 15% inclusive of tax on the positive outperformance of the share relative to the reference indicator. The provisions for variable management fees will only be applied when the fund's performance exceeds that of the reference indicator and only on the positive performance difference. In the event of underperformance of the UCITS relative to the reference indicator, this provision is readjusted through reversals of provisions. The reversals of provisions are capped at the amount of the allocations.
- The outperformance of a unit will be calculated for the first time from the launch date of this unit;
- The Management Company calculates the variable management fees annually on the last net asset value of the financial year; these variable management fees are charged 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 part that is proportional to the redeemed units is crystallised and acquired by the Management Company. Variable management fees thus crystallised during a financial year may be charged by the Management Company at the end of each quarter;
- Investors should note that variable management fees are paid to the Management Company even if the net asset value at the end of the financial year is lower than the closing net asset value of the Fund's previous financial year;
- Any underperformance of a fund's share class relative to its reference benchmark, the monetary index +5%, must be compensated before performance fees become payable. To this end, the duration of the performance reference period has been set at 5 rolling years. Therefore, if another year of underperformance occurs within this initial 5-year period and it has not been recovered by the end of this first period, a new maximum 5-year period begins from this new year of underperformance.
- For units launched during the financial year, the first performance calculation period will run from the launch date of the unit to the end of the next financial year;
- The outperformance fee is calculated over a period of at least 12 months.

The methodology applied to calculate the outperformance fees is based on the method used to calculate the benchmark assets, which makes it possible to simulate a reference asset subject to the same subscription and redemption conditions as the original fund, while benefiting from the performance of the chosen index. This fictitious asset is then compared to the performance of the Fund's actual assets. The difference between the two assets therefore determines the unit's outperformance compared to the chosen index.

The examples below illustrate the methodology applied to the calculation of the outperformance fees described above:

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Performance of the Fund's units	10.0%	5.0%	-8.0%	5.0%	6.0%	3.0%	8.0%	15.0%
Performance of the money market index + 5%	4.4%	4.4%	4.5%	4.5%	4.5%	4.5%	4.5%	4.7%
Out/underperformance compared to the money market index + 5%	5.6%	0.6%	-12.5%	0.5%	1.5%	-1.5%	3.5%	10.3%
Underperformance to offset the following year	0.0%	0.0%	-12.5%	-12.0%	-10.5%	-12.0%	-1.50%	0.0%
Deduction of a commission?	Yes	Yes	No, because the Fund underperformed the index	No, because the Fund underperformed over the current reference period	No, because the Fund underperformed over the current reference period	No, because the Fund underperformed over the current reference period	No, because the Fund underperformed over the current reference period. The underperf	Yes, the residual underperformance was completely offset, outperformance of 8.8% (10.3%-1.5%)

							ormance generated in year 3 and partially offset in the following years is forgotten in year 8 as the 5-year period has passed	
Start of a new reference period?	Yes, a new reference period begins in year 2	Yes, a new reference period begins in year 3	No, the reference period is extended	No, the reference period is extended	No, the reference period is extended	No, the reference period is extended	No, the reference period is extended	Yes, a new reference period begins in year 9

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

Proceeds of temporary purchases and sales of securities

Temporary purchases or sales of securities and securities lending and borrowing will be carried out on market conditions with any income payable in full to the Fund.

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

Procedure for choosing financial intermediaries

Ellipsis Asset Management selects financial intermediaries on the basis of the following criteria (non-cumulative):

- supply of liquidity: the ability to set prices, hold contributions sent
- commercial quality: the financial intermediaries' ability to solicit our managers effectively
- reliability of clearing/settlement confirmation and billing procedures
- efficiency of the search for the best result

5. COMMERCIAL INFORMATION

Information on the application of ESG criteria can be found at www.ellipsis-am.com.

Full prospectus and latest annual and periodic reports:

The Fund's information documents (prospectus/annual report/half-yearly documents) can be obtained free of charge in French by writing to the Management Company, Ellipsis Asset Management, 112 av. Kleber, 75116 Paris, by email client_service@ellipsis-am.com or on the website www.ellipsis-am.com.

Information on subscription and redemption requests:

The depositary centralises all Fund subscription and redemption requests:

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

Information on the disclosure of the composition of the portfolio:

To allow some investors to calculate the regulatory requirements related to Directive 2009/138/EC (Solvency II) in particular, the Fund may disclose the composition of its assets, in accordance with the policy determined by the French Financial Markets Authority in its position no. 2004-07 concerning "market timing" and "late trading" practices.

6. INVESTMENT RULES

The Fund is a UCITS, in accordance with European Directive 2009/65/EC. It respects the regulatory ratios set out in Articles R. 214-9 et seq. of the French Monetary and Financial Code.

7. OVERALL RISK

The commitment approach as defined in Article 411-73 et seq. of the AMF general regulation is used to calculate the overall risk attached to financial contracts held by the Fund.

8. ASSET VALUATION AND ACCOUNTING RULES

The portfolio's accounting currency is the euro.

The organisation has complied with the accounting rules prescribed by the regulations in force and in particular with the chart of accounts for UCIs.

8.1 Method of valuing financial instruments

a. Exchange rates

The exchange rate used for the counter-valuation of assets in the Fund's accounting currency is provided by a specialised data provider.

b. Financial instruments and transferable 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 on the day of the Net Asset Value, published by the markets in question. For multi-exchange securities (securities admitted and listed on several stock exchanges), the Management Company ensures that the listing market used by the accounting manager is the market that it considers the most liquid. If the market configured by the accounting manager is not adequate, the Management Company reserves the right to request the most representative market configuration.

Bonds and convertible bonds: the recovery of bond prices is provided by a specialised data provider or a reference calculation agent, calculated using the prices of external contributors on the day of the Net Asset Value.

Negotiable debt securities and money market instruments: data on these instruments is provided by a specialised data provider based on the prices of external contributors on the day of the Net Asset Value. Instruments with a residual maturity of 3 months or less, in the absence of any particular sensitivity, may be valued on a straight-line basis.

c. Units or shares of UCIs

Units and shares of undertakings for collective investment are valued at the net asset value on the day of the Net Asset Value. If a final net asset value is not available within timeframes compatible with the Fund's valuation, the Fund is valued using the last known net asset value. For the specific case of funds of funds, only the net asset value on the valuation day is used.

d. Temporary purchases and sales of securities

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

Temporary purchases of securities: borrowed and reverse repurchased securities are measured at market value. The debt representing the redelivery obligation is also valued at the securities' market value. The remuneration of the transaction is recognised on a straight-line basis according to the reference rate.

e. Futures and options instruments on a French or foreign regulated market (listed futures and options)

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

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

These instruments are valued from models validated by the Management Company using market data supplied by specialised data providers.

- ✓ CFDs on equities, ETFs, bonds or convertible bonds: CFDs are valued at the difference between the NAV date closing price and the purchase price of the underlying asset, adjusted for the borrowing cost.
- ✓ Index TRS: the valuation of index TRS is obtained by the difference between the performance of the "Total Return" leg and the performance of the money market leg, which corresponds to accrued interest.
- ✓ OTC options: options are valued using an internal model according to the Black & Scholes formula and using a model of forward curves and volatility tables.
- ✓ Foreign exchange forwards: The valuation of forward foreign exchange positions is obtained by the difference between the forward exchange rate traded and a theoretical forward exchange rate using market data (spot exchange rate and interpolated interest rate of the currency pair) on the day of the Net Asset Value.
- ✓ CDSs: valued based on the ISDA algorithm, using spread and rate data.

g. Assets pledged as collateral

Collateral denotes all the assets pledged as security as part of OTC forward financial instruments or as part of effective portfolio management operations (temporary purchases and sales of securities).

The types of eligible assets used include liquid assets, government bonds, private debt instruments, company shares or any other asset agreed between the parties when concluding the transaction, up to the limit authorised in the regulations. These assets are valued daily at the market price in accordance with the provisions of this section "Asset valuation and accounting rule".

h. Alternative practical arrangements

In the event that the financial data required to value a financial instrument is unavailable, or if the price recovered on a financial instrument would not be 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 its audits.

i. Main market data providers

The main specialised data providers used for valuations are Bloomberg and Reuters. This list may change under the responsibility of the Management Company.

8.2 Method used to record trading costs

Portfolio entries are recorded at their acquisition price excluding fees, and exits are recorded at their selling price excluding fees.

8.3 Method used to calculate distributable income

Income is recorded on a cash basis.

Income consists of:

- income from transferable securities,
- dividends and interest received at the currency rate for transferable securities,
- proceeds from cash deposits, loans, repurchase agreements and other investments,
- flows received from swaps: if the flows on a swap are of a different nature, the investment objective will determine whether the flows are recorded as capital or income,
- balance received from a swap contract with asymmetric terms: when a settlement received is intended to rebalance the flows exchanged, the investment objective will determine whether the flows are recorded as capital or income.

The following are deducted from this income:

- management fees,
- financial costs and charges on securities lending and borrowing and other investments,
- flows paid on swaps: if the flows on a swap are of a different nature, the investment objective will determine whether the flows are recorded as capital or income,
- Balance paid on a swap contract with asymmetric terms: when a settlement paid is intended to rebalance the flows exchanged, the investment objective will determine whether the flows are recorded as capital or income.

8.4 Method used to adjust the net asset value related to partial swing pricing

The Fund can undergo a decline of its net asset value ("NAV") due to subscription / redemption orders carried out by investors, at a value which does not reflect the costs of adjustment associated with the operations of investment or disinvestment of the portfolio. In order to reduce the impact of this dilution and to protect the interests of the existing unit holders, the Fund sets up a mechanism of partial swing pricing. This mechanism, supervised by a swing pricing policy, allows the Management Company to ensure to make bear the costs of adjustment to the investors who ask for the subscription or the redemption of the Fund units, while protecting the unit holders who remain within the Fund.

If, one day of calculation of the NAV, the total net amount of the subscription / redemption orders carried out by investors on all the unit classes of the Fund exceeds a pre-established threshold, determined on the basis of objective criteria by the Management Company in percentage of the net assets of the Fund, the NAV can be adjusted upwards or downwards, in order to take into account the attributable costs of adjustment respectively to the net subscription / redemption orders. The NAV of every unit class is separately calculated but any adjustment has, in percentage, an identical impact on all the set of NAVs of the unit classes of the Fund. Parameters of costs and threshold are determined by the Management Company and revised periodically. This period cannot exceed 6 months. These costs are estimated by the Management Company on the basis of transaction fees, bid-ask spreads, as well as possible taxes applicable to the Fund.

As far as this adjustment is bound to the net balance of the subscriptions / redemptions within the Fund, it is not possible to predict with accuracy if it swing pricing will be applied at some point in the future. Consequently, it is not either possible to predict with accuracy the frequency at which the Management Company will have to make such adjustments, which could not exceed 2% of the NAV. Investors are informed that the volatility of the NAV of the Fund may not reflect only that of the securities held in the portfolio because of the application of swing pricing.

9. REMUNERATION POLICY

In accordance with the provisions of Directives 2011/61/EU and 2014/91/EU amending Directive 2009/65/EC and the provisions of Articles 319-10 and 321-125 of the AMF General Regulation, the Management Company has implemented a compensation policy for the categories of employees whose professional activities have a significant impact on the risk profile of the Management Company or the UCIs that it manages. These categories of employees include the members of the Management Board, the Head of Compliance and Internal Control, the risk controllers, the portfolio managers, the sales professionals, as well as the managers of support functions and, in general, all employees whose professional activities have a significant impact on the risk profile of Ellipsis AM or the investment funds that it manages, and whose overall compensation is in the same category as that of the Management Board and risk takers.

The Compensation Committee is organised in accordance with internal regulations, in compliance with the principles set out in Directives 2011/61/EU and 2014/91/EU amending Directive 2009/65/EC. The Management Company's compensation policy was developed to promote the proper management of risks and to discourage risk-taking above the level of risk that it can handle, taking into account the investment profiles of the funds managed and by implementing measures to prevent conflicts of interest.

The compensation policy is reviewed every year. The details of the Management Company's updated compensation policy describing how compensation and benefits are calculated, as well as the composition of the Compensation Committee responsible for the allocation of compensation and benefits, are available free of charge upon request from the Management Company's registered office, as well as on the website www.ellipsis-am.com.

RULES ELLIPSIS EUROPEAN CONVERTIBLE FUND

TITLE I

ASSETS AND SHARES

Article 1 - Co-ownership Shares

The rights of co-owners are expressed in shares, each share corresponding to an equal fraction of the fund's assets. Each shareholder has a co-ownership right over the assets of the fund proportional to the number of shares held.
The duration of the fund is 99 years, except in cases of early dissolution provided for in the regulations.

The characteristics of the different categories of shares and their access conditions are specified in the mutual fund's prospectus.

The different categories of shares may:

- Benefit from different income allocation regimes;
- Be denominated in different currencies;
- Incur different management fees;
- Incur different subscription and redemption commissions;
- Have a different nominal value;
- Be accompanied by systematic, partial, or total risk coverage, as defined in the prospectus. This coverage is provided using financial instruments that minimize the impact of hedging operations on other categories of shares of the UCITS;
- Be reserved for one or more distribution networks.

The FCP reserves the right to proceed with a consolidation or division of shares. The shares are divided into thousandths called share fractions.

The provisions of the regulations governing the issuance and redemption of shares apply to share fractions, whose value will always be proportional to that of the share they represent. All other provisions of the regulations relating to shares apply to share fractions without needing to be specified, except when otherwise provided.

Finally, the management company's board of directors may, on its own decisions, proceed with the division of shares by creating new shares that are awarded to holders in exchange for old shares.

Article 2 - Minimum Asset Amount

Redemption of shares cannot proceed if the FCP's assets fall below €300,000; when the assets remain below this amount for thirty days, the management company takes the necessary steps to proceed with the liquidation of the concerned UCITS, or one of the operations mentioned in article 411-16 of the AMF's general regulations (transformation of the UCITS).

Article 3 - Issuance and Redemption of Shares

Shares are issued at any time upon request of holders based on their net asset value increased, where applicable, by subscription commissions.

Redemptions and subscriptions are carried out under the conditions and according to the procedures defined in the prospectus. Where applicable, the minimum subscription amount is indicated in the prospectus.

Shares of mutual funds may be admitted to listing according to the regulations in force.

Subscriptions must be fully paid up on the day the net asset value is calculated. They can be made in cash and/or by contributing financial instruments. The management company has the right to refuse the proposed values and, to this effect, has a period of seven days from their deposit to make its decision. In case of acceptance, the contributed values are assessed according to the rules set out in article 4, and the subscription is carried out based on the first net asset value following the acceptance of the concerned values.

Redemptions can be made in cash and/or in kind. If the redemption in kind corresponds to a quota part representative of the portfolio's assets, then only the written agreement signed by the exiting holder must be obtained by the UCITS or the management company. When the redemption in kind does not correspond to a quota part representative of the portfolio's assets, all holders must signify their written agreement authorizing the exiting holder to obtain redemption of their shares against certain specific assets, as explicitly defined in the agreement.

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

In general, redeemed assets are assessed according to the rules set out in article 4, and the redemption in kind is carried out based on the first net asset value following the acceptance of the concerned values.

Redemptions are settled by the issuing account keeper within a maximum period of five days following the share's valuation.

However, if, in the case of exceptional circumstances, reimbursement requires the prior realization of assets included in the fund, this period may be extended, without exceeding 30 days.

Except in cases of succession or division of inheritance, the transfer or transfer of shares between holders, or from holders to a third party, is assimilated to a redemption followed by a subscription; if it concerns a third party, the amount of the transfer or transfer must, where applicable, be supplemented by the beneficiary to at least reach the minimum subscription amount required by the prospectus.

Pursuant to article L. 214-8-7 of the Monetary and Financial Code, the redemption by the FCP of its shares, like the issuance of new shares, may be temporarily suspended by the management company, when exceptional circumstances require it and if it is in the interest of the holders.

When the FCP's net assets are below the amount set by regulations, no redemption of shares can be carried out.

The UCITS may cease issuing shares pursuant to the third paragraph of article L. 214-8-7 of the Monetary and Financial Code, temporarily or definitively, partially or totally, in objective situations leading to the closure of subscriptions such as a maximum number of issued shares, a maximum asset amount reached, or the expiration of a determined subscription period. The activation of this tool will be communicated to existing holders by any means regarding its activation, as well as the threshold and the objective situation leading to the decision of partial or total closure. In the case of partial closure, this communication by any means will explicitly specify the conditions under which existing holders can continue to subscribe during the duration of this partial closure. Shareholders are also informed by any means of the UCITS or management company's decision either to end the total or partial closure of subscriptions (when falling below the triggering threshold) or not to end it (in case of threshold change or modification of the objective situation that led to the implementation of this tool). A modification of the objective situation cited or the triggering threshold of the tool must always be made in the interest of the shareholders. The information by all means specifies the exact reasons for these modifications.

The management company of the FCP may restrict or prevent (i) the holding of shares of the FCP by any physical or legal investor who is prohibited from holding shares of the FCP under the prospectus, in the section "concerned subscribers" (hereinafter "Non-Eligible Person"), and/or (ii) the registration with the institution in charge of centralizing subscription/redemption orders and keeping the share registers, or local transfer agents (the "Registers") of any intermediary mentioned in the section "concerned subscribers" ("Non-Eligible Intermediary").

To this end, the management company of the FCP may:

1° Refuse to issue any share when it appears that such issuance would or could have the effect that said shares are directly or indirectly held by a Non-Eligible Person or that a Non-Eligible Intermediary is registered in the Registers;

2° At any time, require an intermediary whose name appears on the Registers to provide any information, accompanied by a sworn statement, that it would consider necessary for the purpose of determining whether the beneficial owner of the considered shares is or is not a Non-Eligible Person; and

3° When it appears that the beneficial owner of the shares is a Non-Eligible Person or that a Non-Eligible Intermediary is registered in the Registers, proceed with the forced redemption of all the shares held by the Non-Eligible Person or all the shares held through the Non-Eligible Intermediary, after a period of 10 working days. The forced redemption will be carried out at the last known net asset value, reduced where applicable by applicable fees, rights, and commissions, which will remain at the expense of the Non-Eligible Person targeted by the redemption.

Article 4 - Calculation of the Net Asset Value

The calculation of the share's Net Asset Value is carried out taking into account the valuation rules set out in the prospectus.

Contributions in kind can only include securities, values, or contracts admitted to make up the assets of UCITS; contributions and redemptions in kind are assessed according to the valuation rules applicable to the calculation of the net asset value.

TITLE II

OPERATION OF THE FUND

Article 5 - The Management Company

The management of the fund is ensured by Ellipsis Asset Management in accordance with the orientation defined for the fund.

The management company acts at all times in the exclusive interest of the shareholders and may solely exercise the voting rights attached to the securities included in the fund.

Article 5 bis - Operating Rules

The instruments and deposits eligible for the net asset of the UCITS as well as the investment rules are described in the prospectus.

Article 6 - The Depository

The depository carries out the missions incumbent upon it by the legal and regulatory provisions in force as well as those contractually entrusted to it. It must in particular ensure the regularity of the decisions of the portfolio management company. If necessary, it must take all protective measures it deems useful. In case of dispute with the management company, it informs the Financial Markets Authority.

Article 7 - The Auditor

An auditor is appointed for six financial years, after agreement from the Financial Markets Authority, by the governance body of the management company.

He certifies the regularity and sincerity of the accounts. He can be renewed in his functions.

The auditor is required to report as soon as possible to the Financial Markets Authority any fact or decision concerning the collective investment scheme in securities he becomes aware of in the exercise of his mission, likely to:

- 1° Constitute a violation of the legislative or regulatory provisions applicable to this organization and likely to have significant effects on the financial situation, the result, or the assets;
- 2° Affect the conditions or the continuity of its operation;
- 3° Lead to the issuance of reservations or the refusal to certify the accounts.

The valuations of assets and the determination of exchange ratios in the operations of transformation, merger, or division are carried out under the control of the auditor.

He assesses any contribution or redemption in kind under his responsibility, except in the context of redemptions in kind for an ETF on the primary market.

He controls the composition of the assets and other elements before publication.

The fees of the auditor are fixed by mutual agreement between him and the board of the management company based on a work program specifying the diligences deemed necessary.

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

Article 8 - The Accounts and Management Report

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

The portfolio management company prepares, at least on a semi-annual basis and under the control of the depository, the inventory of the UCITS's assets.

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

TITLE III

METHODS OF ALLOCATING DISTRIBUTABLE SUMS

Article 9 - Methods of Allocating Distributable Sums

The net result of the financial year equals the amount of interest, arrears, dividends, bonuses, and tokens, as well as all products related to the securities constituting the fund's portfolio increased by the product of temporarily available sums and decreased by management fees and the cost of borrowings.

The distributable sums are constituted by:

- 1° The net result increased by the carryforward and increased or decreased by the balance of the income regularization account;
- 2° Realized capital gains, net of fees, decreased by realized capital losses, net of fees, recorded during the financial year, increased by net capital gains of the same nature recorded during previous financial years not having been subject to distribution or capitalization, and decreased or increased by the balance of the capital gains regularization account.

The sums mentioned in 1° and 2° can be distributed, in whole or in part, independently of each other. The precise methods of allocating distributable sums are defined in the prospectus.

For all classes of shares of the FCP, distributable sums are fully capitalized except for those that are subject to mandatory distribution under the law.

TITLE IV

MERGER - DIVISION - DISSOLUTION - LIQUIDATION

Article 10 - Merger - Division

The management company may either contribute, in whole or in part, the assets included in the fund to another UCITS, or divide the fund into two or more other mutual funds.

These merger or division operations can only be carried out after the shareholders have been notified. They result in the delivery of a new certificate specifying the number of shares held by each shareholder.

Article 11 - Dissolution - Extension

If the assets of the fund remain below, for thirty days, the amount set in article 2 above, the management company informs the Financial Markets Authority and proceeds, unless merging with another mutual fund, to the dissolution of the fund.

The management company may dissolve the fund prematurely; it informs the shareholders of its decision and from that date, subscription or redemption requests are no longer accepted.

The management company also proceeds with the dissolution of the fund in the event of a request for redemption of all the shares, cessation of function of the depository, when no other depository has been designated, or at the expiration of the duration of the fund, if it has not been extended.

The management company informs the Financial Markets Authority by letter of the date and the dissolution procedure chosen. Then, it sends the auditor's report to the Financial Markets Authority.

The extension of a fund can be decided by the management company in agreement with the depository. Its decision must be taken at least 3 months before the expiration of the duration provided for the fund and brought to the attention of the shareholders and the Financial Markets Authority.

Article 12 - Liquidation

In the event of dissolution, the management company assumes the functions of liquidator; failing that, the liquidator is appointed in court at the request of any interested person. They are endowed for this purpose with the broadest powers to realize the assets, pay the eventual creditors, and distribute the remaining balance among the shareholders in cash or in values.

The auditor and the depository continue to exercise their functions until the end of the liquidation operations.

TITLE V

DISPUTES

Article 13 - Jurisdiction - Election of Domicile

All disputes relating to the fund that may arise during its operation, or at the time of its liquidation, whether between the shareholders, between them and the management company or the depository, are subject to the jurisdiction of the competent courts.