

Ellipsis Optimal Solutions – Alternative Hedging

ISIN codes

EB-CHF:	FR001400UYZ4
EB-EUR:	FR001400UZ09
EB-USD:	FR001400UZ17
ICHF:	FR001400UZ25
IEUR:	FR001400UZ33
IUSD:	FR001400UZ41
RCHF:	FR001400UZ58
REUR:	FR001400UZ66
RUSD:	FR001400UZ74
R2CHF:	FR001400WTF2
R2EUR:	FR001400WTG0
R2USD:	FR001400WTH8
Part Z:	FR001400UZ82

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

**This document has been translated in English for convenience only and is not binding.
In case of any legal dispute, the French version should prevail.**

Date of edition: 18 June 2025

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PROSPECTUS

ELLIPSIS OPTIMAL SOLUTIONS - ALTERNATIVE HEDGING

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

1. GENERAL CHARACTERISTICS

Form of the UCITS:

Denomination

ELLIPSIS OPTIMAL SOLUTIONS - ALTERNATIVE HEDGING

Legal form and Member State in which the specialised professional fund was set up

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

Date of creation and expected lifetime

The FCP was approved by the Autorité des Marchés Financiers on 17 December 2024. It was created on 31 January 2025 for a term of 99 years.

Summary of the management offer

Share	ISIN code	Original net asset value	Allocation of distributable sums	Currency	Subscribers concerned	Minimum initial subscription amount
EB-CHF	FR001400UYZ4	CHF 10 000	Capitalisation	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	FR001400UZ09	EUR 10 000		EUR		EUR 1 000 000 ^{1, 2}
EB-USD	FR001400UZ17	USD 10 000		USD		USD 1 000 000 ^{1, 2}
ICHF	FR001400UZ25	CHF 10 000	Capitalisation	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
IEUR	FR001400UZ33	EUR 10 000		EUR		EUR 1 000 000 ¹
IUSD	FR001400UZ41	USD 10 000		USD		USD 1 000 000 ¹
RCHF	FR001400UZ58	CHF 100	Capitalisation	CHF	All subscribers	None
REUR	FR001400UZ66	EUR 100		EUR		
RUSD	FR001400UZ74	USD 100		USD		
R2CHF	FR001400WTF2	CHF 100	Capitalisation	CHF	All subscribers	None
R2EUR	FR001400WTG0	EUR 100		EUR		
R2USD	FR001400WTH8	USD 100		USD		
Z	FR001400UZ82	EUR 10 000	Capitalisation	EUR	Reserved for entities of the Kepler Cheuvreux Group, UCIs and mandates managed by the management company and its employees.	None

¹ Amounts not applicable to entities and UCITs of the Kepler Cheuvreux group or as soon as the outstanding amount of this class of units reaches 50 million euros. Subscriptions made by entities belonging to the same group may be aggregated.

² The 'EB' unit class will be closed to new subscriptions from 1 July 2025. However, the Management Company reserves the right to authorise new subscriptions at a later date, after informing the unitholders in advance.

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

The fund's prospectus, the latest periodic document, the latest net asset value of the fund and information on its past performance will 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 at the Management Company.

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

The information required under IV and V of article 421-34 of the AMF General Regulations is contained in the latest available annual and interim documents.

2. ACTORS

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

The management company has sufficient additional own funds to cover any risk of it being held liable for professional negligence.

The management company also benefits from professional insurance cover.

Custodian

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 include, in particular, the keeping of a register and the safekeeping of the FCP's assets, monitoring the regularity of the Management Company's decisions, and the provision of optional ancillary services, such as liability management. The custodian undertakes to use its best efforts to prevent conflicts of interest from arising.

Custody of the fund'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

Marketers

Ellipsis Asset Management
112 avenue Kleber - 75116 Paris

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

It should be noted that the FCP is a specialised professional fund. As such, in accordance with regulations, it is not advertised, canvassed or otherwise solicited by the public.

Agents

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 THE 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 net asset value calculation day in December. First closing date: 31 December 2025.

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 mutual fund 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.

In any event, it is the responsibility of all investors to seek specialist tax advice to determine the tax treatment applicable to their investment.

3.2 Special provisions

a. ISIN Codes

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R-EUR:	FR001400UZ66
R-USD:	FR001400UZ74
R2-CHF:	FR001400WTF2
R2-EUR:	FR001400WTG0
R2-USD:	FR001400WTH8
Z:	FR001400UZ82

b. Investment objective

The investment objective is to generate, over an investment horizon of more than 5 years, a positive return net of fees superior to the capitalised benchmark money market index of the unit class +2%, while maintaining a negative correlation to the global equity markets through exposure to these markets on the one hand, and through optional strategies aimed at generating outperformance in the event of a downturn in these markets on the other. The Fund is designed to provide a diversification solution for an equity or bond portfolio. The performance of the Fund may be compared a posteriori with that of the capitalised benchmark money market index of the unit class +2%.

c. Benchmark

The Fund's objective is absolute performance and it therefore has no single benchmark. However, in view of the fund's management objective and although it is not a money market fund, the performance of each unit may be compared a posteriori with that of the benchmark money market index for the currency of the unit subscribed, namely:

- Euro-denominated units: €STR capitalised +2%.
- Units denominated in Swiss francs: SARON capitalised +2%.
- Units denominated in US dollars: SOFR capitalised +2%

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, please 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.six-group.com/en/products-services/the-swiss-stock-exchange/market-data/indices/swiss-reference-rates.html>.

The Secured Overnight Financing Rate (SOFR) is the rate that measures the cost of overnight cash borrowings backed by US Treasury securities. 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 is available 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 European Central Bank, the administrator of the €STR index, benefits from the exemption of Article 2.2 as central banks and as such is not listed on 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

In order to achieve its management objective, the Fund will use derivatives to manage its exposure to the equity markets. The portfolio therefore has :

1. exposure to global equities through the purchase of futures, between 80% and 180% of the fund's net assets;
2. optional strategies aimed at hedging the portfolio by purchasing hedging options for up to 20% of the fund (representing equity risk hedging of between -250% and -35%), depending on the strategies implemented:
This strategy is based on the application of a systematic risk mitigation mechanism that is stable over time and depends on objective, observable criteria, independent of anticipated trends in the financial markets. This systematic mechanism also incorporates an objective of minimising the cost of purchasing derivatives, combined with minimising the secondary risks of holding options.
With the aim of maintaining continuity of risk mitigation properties, the systematic mechanism will involve regular adjustments to adapt the core strategy to the passage of time and market movements.
3. A maximum of 5% of the portfolio may be invested in call options in response to rising markets.

The FCP's exposure to equities will be between -100% and 200% of the net assets. In the event of a market downturn, optional hedging strategies aim to outperform exposure to equities in such a way as to deliver a performance of around +20%/+40% in the event of a market downturn of -15%/-20%, and +80%/+100% in the event of an extreme market downturn (-40%/-60%).

Conversely, the product may post a neutral or even negative performance during periods of low market volatility or rising equity markets, with a target range of 0% to -20%. In the event of low equity market volatility, the product could lose all or part of its optional investment. In the event of rising markets, the equity investment portion will aim to reduce the loss generated by the erosion of option premiums.

The management strategy implemented through derivatives only uses a small proportion of capital. The FCP will therefore also be exposed to euro-denominated debt securities or money market instruments issued by public or private issuers with a rating of BBB+ or equivalent according to at least 2 official rating agencies or a rating deemed equivalent by the Management Company. This exposure is made directly in securities or through derivatives and is mainly used for cash management purposes. Allocation to money market instruments is made without constraint as to the type of debt (fixed, floating or floating rate), without any geographical, sectoral or size predominance among the main markets in the eurozone.

By way of derogation, in the event that liquidity and/or the costs of synthetic replication via derivatives are not satisfactory, the FCP may buy equity ETFs (Exchange-Traded Funds) or equities directly.

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.

Finally, the Fund may also invest up to 10% of its net assets in UCITs managed or not by Ellipsis Asset Management and make deposits for cash management purposes in accordance with the management agreement in place.

Integration of ESG criteria within the investment strategy

The fund does not have a sustainable investment objective.

Under 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 characteristics (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 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%. Consequently, 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, please visit: <https://www.ellipsis-am.com/esg>

e. Assets used

- Shares and equity securities

The FCP may invest in equities and equity-linked securities in the event that liquidity and/or the costs of synthetic replication via derivatives are not satisfactory. The FCP's exposure to equities will be between 0% and 100% of the net assets.

- Derivative instruments

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

- Carry out arbitrages in accordance with the investment strategy defined above;
- To expose the portfolio with a view to building up synthetic exposure to one or more risks in line with its management objective, up to a maximum of one time the net assets, without seeking overexposure;
- Hedging the portfolio against equity and currency risk.

On these markets, the fund will use the following instruments:

Regulated or organised markets:

- Futures or options on equity, interest rates or credit indices or ETFs (Exchange-Traded Funds).

Over-the-counter markets (cleared or not):

- Futures or options on equity, interest rates or credit indices;
- Currency forward;
- Currency swap.

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 that is controlled by the exchange of financial guarantees. Cash financial guarantees received by the FCP 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 denominated in euro, such as bonds, short- or medium-term negotiable securities or unstructured EMTNs, issued by public or private issuers with a minimum rating of BBB+ or equivalent by at least 2 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 any constraints as to the type of debt (fixed, floating or floating rate), without any geographical, sectoral or size predominance among the main eurozone markets. The portfolio's average sensitivity to interest rates ranges from -1.5 to +1.5.

- Units and shares in UCITs or investment funds

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

- French or foreign UCITs governed by Directive 2009/65/EC,
- French or foreign UCITs governed by Directive 2011/61/EU or foreign investment funds.

These UCITs 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 French Monetary and Financial Code as part of its cash investments, in accordance with the management agreement in place.

- 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) in accordance with the management agreement in place.

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

- Securities acquisition transactions 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 80% 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 operational risk and counterparty risk, which is controlled by the exchange of financial guarantees. Cash financial guarantees received by the UCI must be reinvested in accordance with the provisions of the paragraph entitled "Collateral management policy".

- Cash borrowing

The FCP may temporarily borrow up to 10% of its net assets for cash management purposes, in accordance with the management agreement in place.

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 haircut policy has been established by the management company and calibrated by type of asset received according to 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 equity exposure of 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 fund will appreciate or that the fund'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 result in 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 an asset's propensity to fluctuate significantly over short periods of time, the more volatile and therefore risky it is. A fall in the volatility of the markets 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/or failures relating to the people and/or systems of the portfolio management company, or resulting from external events, including legal risk 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 French 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.

- Currency 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.

- Risks associated with the temporary purchase and sale of securities 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 Fund.

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 UCI regulations.

- 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.

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, particularly institutional investors, funds of funds and pension funds, pension funds and own-account investors.

R & R2 units: All investors

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 an equity index while seeking risk mitigation (volatility and daily decline). Investors are reminded that the strategy implemented in this product, whose objective is to benefit from equity market volatility, is complex, implying a risk of capital loss in bull or low-volatility market phases.

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 relevant subscribers, Non-Eligible Persons and 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 a 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);
- Pursuant to the provisions of EU Regulation No. 833/2014 the subscription of units in this fund is prohibited to any Russian or Belarusian national, any natural person residing in Russia or Belarus or any legal person, entity or body established in Russia or Belarus except nationals of a Member State and natural persons holding a temporary or permanent residence permit in a Member State.

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 FCP 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 Person required to make a declaration or equivalent concept within the meaning of CRS/DAC.

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. Procedures 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 unit classes: Capitalisation

Distribution frequency

All unit classes: None.

I. Share characteristics

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

The currency in which the units are denominated is the euro.

m. 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) and/or the NYSE (New York Stock Exchange) are 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 11 a.m. 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:

- CHF / EUR / USD 1,000,000 for EB and I unit classes, with the exception of entities and UCIs belonging to the Kepler Cheuvreux group. Subscriptions made by entities belonging to the same group may be accumulated.

- No minimum threshold for R, R2 and Z unit 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 also be available on request from 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 may result in the Fund's inability to meet redemption requests, thereby increasing the risk of a complete suspension of subscriptions and redemptions for this Fund.

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	Net asset value * number of units subscribed	R2 unit class: 3% maximum Other unit classes: None
Subscription fee payable to the Fund	Net asset value * number of units subscribed	None
Redemption fee payable to third parties	Net asset value * number of units subscribed	None
Redemption fee payable to the Fund	Net asset value * number of units subscribed	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
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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	EB unit classes: 0,75% I unit classes: 1% R & R2 unit classes: 1,50% Z unit class: 0,15%
2	Administrative fees external to the management company (statutory auditor, depositary, valuation agent, account holder, technical distribution fees, lawyers, benchmark license fees...)	Net assets	Fully paid by the management company
3	Maximum indirect fees (management fees and charges)	Net assets	Non significant
4	Transaction fees	Fixed fee payable on each transaction	From 0 to 50€ maximum including taxes perceived by the depositary From 0 to 50€ maximum including taxes perceived by the management company
5	Performance fees	Net assets	EB & I unit classes: 10% of the Fund's annual outperformance, net of fees, compared with the benchmark index, once the underperformance of the last 5 years has been offset. R & R2 unit classes: 15% of the Fund's annual outperformance, net of fees, relative to the performance indicator, once the underperformance of the last five years has been offset.

Financial research fees may 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 levied for the benefit of the Management Company as follows:

• Depending on the rate defined for the unit class, 10% or 15% (inclusive of tax) of the annual performance, net of fees but excluding provisions for variable management fees, of each unit, in excess of the benchmark index, provided that the underperformance of the last 5 years has been offset. This indicator is as follows:

- Units denominated in euro: €STR capitalised +2%
- Units denominated in Swiss francs: SARON capitalised +2%
- Units denominated in US dollars: SOFR capitalised +2%

• The provision for variable management fees is adjusted on the occasion of each calculation of the net asset value, on the basis of 15% including tax of the positive outperformance of the unit compared to its benchmark indicator and within the limit of 0, 10% of the net assets for the unit. Provisions for variable management fees will only be applied when the performance of the fund is higher than that of its index and simply on the positive difference in performance. In the event of an underperformance of the UCITS compared to the benchmark indicator, this provision is readjusted through reversals of provisions. Reversals of provisions are capped at the level of the allocations;

• The outperformance of a unit will be calculated for the first time from the day on which this unit is launched;

• The crystallization of variable management fees by the management company will be carried out annually, based on the last net asset value of the financial year; these variable management fees will be 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 redeemed units is crystallized and acquired by the management company; the variable management fees thus crystallized during a financial year may be charged by the management company at the end of each quarter;

• Investors' attention is drawn to the fact that the variable management fees are only acquired by the Management Company in the event of positive fund performance over the past period;

• Any underperformance of the fund compared to the benchmark is compensated for before outperformance fees become due. To this end, the duration of the performance reference period is set at 5;

• 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 outperformance commission is calculated over a period of at least 12 months.

The methodology applied for the calculation of outperformance fees is based on the reference asset calculation method which makes it possible to simulate a reference asset subject to the same subscription / redemption and distribution conditions, if applicable, as the original fund, while benefiting from the performance of the chosen index. This fictitious asset is then compared with the performance of the real assets of the fund. The difference between the two assets therefore gives the outperformance of the unit compared to its benchmark indicator.

The examples below illustrate the methodology applied for the calculation of the performance fees described above:

Figure 1: General operation

	Year 1	Year 2	Year 3	Year 4	Year 5
Performance of the Fund's units	10%	-4%	-7%	6%	3%
Performance of the benchmark	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 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 a commission?	Yes, up to the maximum rate defined at unit level, if applicable	No as the fund performance is negative	No as the fund underperformed the benchmark	No as the Fund has underperformed over the whole of the current observation period, starting in year 3	Yes
Start of a new observation period?	Yes, a new observation period starts in year 2	Yes, a new observation period starts in year 3	No, the observation period is extended to cover years 3 and 4	No, the observation period is extended to cover years 3, 4 and 5	Yes, a new observation period starts in year 6
NB: To facilitate understanding of the example, we have indicated here the performance of the Fund and the benchmark in percentage terms. In reality, the over/under performance will be measured in amount, by the difference between the net assets of the Fund 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 the Fund's units	0%	5%	3%	6%	1%	5%
Performance of the benchmark	10%	2%	6%	0%	1%	1%
A: Over/under performance current year	-10%	3%	-3%	6%	0%	4%
B1: Carry-over of uncompensated underperformance Year 1	N/A	-10%	-7%	-7%	-1%	Out of scope
B2: Carry-over of uncompensated underperformance 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: Carry-over of uncompensated underperformance 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 a commission?	No	No	No	No	No	Yes

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. Should it be the case, fees and costs generated by these operations will be borne by the management company. For further information, unitholders should refer to the Fund's annual report.

Procedure for choosing financial intermediaries

Financial intermediaries are selected by Ellipsis Asset Management according to the following criteria (not cumulative):

- the provision of liquidity: the ability to make prices, to keep the contributions sent
- commercial quality: the ability of the financial intermediary to solicit our managers appropriately
- the reliability of the confirmation, settlement / delivery, invoicing processes
- the efficiency of the search for the best result.

5. COMMERCIAL INFORMATION

Environmental, social and governance (ESG) criteria do not form the basis of 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.

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 regulatory requirements, 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. RISK MONITORING / OVERALL RISK

The method used to measure the FCP's overall risk ratio is the commitment calculation method as defined in AMF instruction n°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 UCITS, defined by the Order 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 supplied by a specialist data provider or benchmark calculation agent, calculated using 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. Units or shares in UCITS

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 purchases 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.

Revenues consist 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 AMF General Regulation, the management company has introduced a remuneration policy for categories of staff whose professional activities have a significant impact on the risk profile of the management company or the UCITs 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.

* * *

RULES

Ellipsis Optimal Solutions - Alternative Hedging

TITLE I

ASSETS AND UNITS

Article 1 - Co-ownership units

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

The life of the Fund is 99 years except in the cases of early dissolution provided for in the regulations.

The characteristics of the various classes of units and their eligibility requirements are described in the Fund prospectus. The different unit classes may:

- Benefit from different dividend policies;
- Be denominated in different currencies;
- Be charged different management fees;
- Be charged different subscription and redemption fees;
- Have a different par value;
- Be systematically hedged, either partially or completely, as described in the prospectus. Risk is hedged via financial instruments that
- minimise the impact of hedging transactions on the UCITS' other unit classes;
- Be reserved for one or more distribution networks.

The Fund reserves the right to combine or split units. Units are divided into thousandths, called fractions of units.

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

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

Article 2 - Minimum amount of assets

Units may not be redeemed if the Fund's assets fall below EUR 300,000. Should the assets remain below this amount for thirty days, the management company will take the necessary measures to liquidate the fund concerned or carry out one of the procedures mentioned in article 411-16 of the AMF's General Regulation (change of fund).

Article 3 - Issue and redemption of units

Units are issued each time a subscription request is received on the basis of their net asset value plus a subscription fee, where applicable. Subscriptions and redemptions are executed in accordance with the conditions and procedures defined in the prospectus. Where applicable, the minimum subscription amount will be shown in the prospectus.

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

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

Redemptions can be made in cash and/or in kind. If the in-kind redemption corresponds to a representative share of portfolio assets, the Fund or the Management Company need obtain only the signed written consent of the departing investor. If the in-kind redemption does not correspond to a representative share of portfolio assets, all investors need to give their written consent to the departing investor redeeming their units against certain specific assets, as explicitly defined in the agreement.

By derogation from the above, if 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 in the terms and conditions set out in the Fund's rules or prospectus. The assets are then delivered by the issuance account keeper within the terms and conditions set out in the Fund's prospectus.

Redeemed assets are generally valued using the rules set out in article 4 and the in-kind redemption is carried out based on the first NAV after the securities in question have been accepted.

The redemptions are settled by the issuance account keeper within five days of the valuation day of the units.

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

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

Pursuant to article L.214-8-7 of the French Monetary and Financial Code, the management company may temporarily suspend the redemption of units or the issue of new units by the Fund when exceptional circumstances and the interests of the unitholders so require.

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

In application of the third paragraph of article L.214-8-7 of the French Monetary and Financial Code, the fund may stop issuing some or all units temporarily or permanently 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 fixed subscription period. Existing unitholders will be informed of this decision by any means, as well as of the trigger point and the objective situation that led to the partial or complete closure. In the case of partial closure, this notification will specifically mention the means by which existing unitholders may continue to subscribe during the period of partial closure. The management company also informs unitholders by any means of a decision to end the partial or total closure of subscriptions (when they fall below the trigger point again), or not to end it (if the trigger point is changed or there is a development in the objective situation that led to the closure decision). A change in the objective situation cited or the trigger point must always be made in unitholders' best interests. Information stating the exact reasons for these changes may be given by any means.

The Fund's Management Company may restrict or prohibit (i) ownership of Fund units by any natural person or legal entity for whom it is forbidden to hold Fund units in the "target subscribers" section of the prospectus (hereinafter, an "Ineligible Person"), and/or (ii) the registration with the Bank responsible for centralising subscription and redemption requests and Registrar Fund's register or the local transfer agent's register (the "Registers") of any Intermediary mentioned in the "target subscribers" section of the prospectus ("Ineligible Intermediary").

To this end, the Fund's Management Company may:

1° refuse to issue any units if it appears that such an issue could or would lead to those units being held directly or indirectly by an Ineligible Person or Ineligible Intermediary or entered into the Registers;

2° at any moment require an intermediary whose name appears in the Registers to provide any information, accompanied by a sworn statement, that it deems necessary for the purposes of determining whether or not the beneficial owner of the units in question is an Ineligible Person; and

3° if it appears that the beneficial owner of the units is an Ineligible Person or an Ineligible Intermediary is entered into the Registers of unitholders, carry out a compulsory redemption of all of the units held by the Ineligible Person or Ineligible Intermediary following a period of ten business days. The compulsory redemption will be carried out using the last known net asset value, less any charges, fees and commissions that may be applicable, which will remain the responsibility of the Person affected by the redemption.

Article 4 - Calculation of the net asset value

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

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

TITLE II MANAGEMENT OF THE FUND

Article 5 - The Management Company

The Fund is managed by the management company Ellipsis Asset Management in accordance with the Fund's investment objectives.

The Management Company shall act in all circumstances in the sole interest of the unitholders and has the exclusive right to exercise the voting rights attached to the securities held in the Fund.

Article 5a - Operating rules

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

Article 6 - The depositary

The depositary performs the tasks incumbent upon it under laws and regulations in force, as well as those contractually agreed. In particular, it must ensure that decisions taken by the portfolio management company are lawful. Where applicable, it must take all protective measures that it deems necessary. In the event of a dispute with the management company, it shall inform the AMF.

Article 7 - The statutory auditor

A statutory auditor is appointed by the governance body of the management company for a term of six financial years with the approval of the AMF.

It shall certify the regularity and fairness of the accounts. The statutory auditor's mandate may be renewed.

The statutory auditor is required to inform the AMF as soon as possible of any event or decision involving the undertaking for collective investment in transferable securities discovered when exercising its task that is likely to:

1° Constitute a violation of the legal or regulatory provisions applicable to this undertaking and likely to have a material impact on the financial position, result or assets;

2° Adversely affect its operating conditions or continuity;

3° Lead to the issuance of reserves or refusal to certify the accounts.

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

The statutory auditor assesses any contribution or redemption in kind under its responsibility, except when an ETF is redeemed in kind on the primary market.

It shall check the composition of the assets and other information before any publication.

The statutory auditor's fees are determined by mutual agreement between the statutory auditor and the management board of the Management Company on the basis of an agenda indicating all duties deemed necessary.

The statutory auditor certifies positions that serve as the basis for the payment of interim dividends. The statutory auditor's fees are included in the management fees.

Article 8 - The financial statements and the management report

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

The portfolio management company establishes a list of the Fund's assets at least biannually and under the supervision of the depositary.

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

TITLE III

ALLOCATION OF INCOME

Article 9 - Procedures for allocating distributable sums

The net result for the fiscal year equals the amount of interest, arrears, dividends, premiums, and winnings, directors' fees, as well as all income related to the securities comprising the fund's portfolio, increased by the proceeds from temporarily available funds, and decreased by management fees and borrowing costs.

The distributable amounts consist of:

1° The net result increased by retained earnings and adjusted by the balance of the income equalization account;

2° Realized capital gains, net of expenses, reduced by realized capital losses, net of expenses, recorded during the fiscal year, increased by net capital gains of the same nature recorded in previous fiscal years that have not been distributed or capitalized, and adjusted by the balance of the capital gains equalization account.

The amounts mentioned in 1 and 2 may be distributed, in whole or in part, independently of each other. The precise allocation methods of the distributable amounts are defined in the prospectus.

For each category of shares, if applicable, the prospectus stipulates that the fund adopts one of the following formulas for each of the amounts mentioned in 1 and 2 above:

- Pure capitalization: the distributable amounts are fully capitalized except for those that are mandatorily distributed by law,
- Pure distribution: the distributable amounts are fully distributed, rounded as necessary,
- For share categories that provide the option to capitalize and/or distribute, the management company decides each year on the allocation of the distributable amounts.

The precise allocation methods of the distributable amounts are defined in the prospectus.

TITLE IV

MERGER - SPLIT - DISSOLUTION - LIQUIDATION

Article 10 - Merger - Split

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

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

Article 11 - Dissolution - Extension

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

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

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

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

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

Article 12 - Liquidation

In the event of dissolution, the management company acts as liquidator; failing this, interested parties may ask the courts to appoint a liquidator. To this end, they shall be granted the broadest powers to realise assets, reimburse any creditors and allocate the available balance among the unitholders in the form of cash or securities.

The statutory auditor and the depositary shall continue to perform their functions until the end of the liquidation.

TITLE V DISPUTES

Article 13 - Jurisdiction - Address for service

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

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