

PROSPECTUS

relating to the permanent offering and issue of Units in

AXA IM CASH

A mutual investment fund organized under the laws
of the Grand-Duchy of Luxembourg

May 2015

VISA 2015/99304-6101-0-PC

L'apposition du visa ne peut en aucun cas servir
d'argument de publicité

Luxembourg, le 2015-06-02

Commission de Surveillance du Secteur Financier



The Units referred to in this prospectus (the "Prospectus") are offered solely on the basis of information contained herein and in the reports referred to in the Prospectus. In connection with the offer hereby made, no person is authorized to give any information or to make any representations other than those contained in the Prospectus and the documents referred to herein, and any purchase made by any person on the basis of statements or representations not contained in or inconsistent with the information contained in the Prospectus shall be solely at the risk of the purchaser. This Prospectus does not constitute an offer to sell or a solicitation to buy any Units in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The Management Company draws the investors' attention to the fact that any investor will only be able to fully exercise his unitholder rights directly against the Fund, if the investor is registered himself and in his own name in the unitholders' register. In cases where an investor invests in the Fund through an intermediary investing into the Fund in his own name but on behalf of the investor, it may not always be possible for the unitholder to exercise certain unitholder rights directly against the Fund. Investors are advised to take advice on their rights before subscription.

The Units have not been registered under the United States Securities Act of 1933 (the "Securities Act"), and the Fund has not been registered under the United States Investment Company Act of 1940. The Units may not be offered, sold, transferred or delivered, directly or indirectly, in the United States, its territories or possessions or to U.S. Persons (as defined in Regulation S under the Securities Act) except to certain qualified U.S. institutions in reliance on certain exemptions from the registration requirements of the Securities Act and with the consent of the Management Company. Neither the Units nor any interest therein may be beneficially owned by any other U.S. Person. The Fund's Management Regulations restrict the sale and transfer of Units to U.S. Persons and the Management Company may repurchase Units held by a U.S. Person or refuse to register any transfer to a U.S. Person as it deems appropriate to assure compliance with the Securities Act. See "SUBSCRIPTION OF UNITS".

Notwithstanding the above, the Units may be subscribed by US investors within the meaning of the American regulation "FATCA". The Management Company draws the investors' attention to section "TAX STATUS" of the present Prospectus for more information in this respect.

Prospective investors should review this Prospectus carefully and in its entirety and consult with their legal, tax and financial advisers in relation to (i) the legal requirements within their own countries for the purchase, holding, redemption or disposal of Units; (ii) any foreign exchange restrictions to which they are subject in their own countries in relation to the purchase, holding, redemption or disposal of Units; and (iii) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, redeeming or disposing of Units. Prospective investors should seek the advice of their legal, tax and financial advisers if they have any doubts regarding the contents of this Prospectus.

An investment in any of the Sub-Funds involves risks, including the possible loss of capital. Neither the Management Company nor the Investment Manager can guarantee the performance of or any future return on the investments, including dividends. Please refer to the section "Main Risk Considerations" for further details.

Terms used without further definition are explained under the heading Glossary.

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AXA IM CASH

General Information

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Mr. Steve Gohier, General Manager and Compliance and Risk Officer, AXA Funds Management S.A., Grand-Duchy of Luxembourg

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Mr. Sean O’Driscoll, General Manager and Third Parties Relationship Manager, AXA Funds Management S.A., Grand-Duchy of Luxembourg

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PROSPECTUS

GLOSSARY

ABS – Asset Backed Securities with the exception of Asset Backed Commercial Paper.

ABCP – Asset Backed Commercial Paper. An Asset-Backed Commercial Paper is an asset backed security. ABCP are commercial paper short-term debt, issued by a special purpose entity ("SPE") backed by the purchase of financial assets from one or more sellers or the purchase of a pool of bonds in the open market.

Appendix – the relevant sheet of the Prospectus containing specific information regarding each Sub-Fund.

Application Form – the appropriate form for the subscription, the redemption and the conversion of Units of each Sub-Fund.

Business Day – a day which is a Sub-Fund Business Day as defined in each Appendix.

Capitalisation – a class of units of the relevant Sub-Fund which capitalizes the earned dividend.

Class – a class of units within each Sub-Fund which may differ inter alia, in respect of its specific charging structure, specific dividend policy or other specific features.

CDO – Collateralized Debt Obligation.

Contract-for-Difference or **CFD** – a contract between two parties, buyer and seller, whereby the seller agrees to pay to the buyer the difference, if positive, between the current value of an asset and its value at contract time (if the difference is negative, then the buyer pays to the seller the absolute value of the difference). If the underlying asset is a stock, the contract for difference is a cash-settled derivative instrument which allows investors to speculate on share price movements without the need for ownership of the underlying asset.

Currency – a denomination for assets in a particular country or single region, including but not limited to: EUR, GBP, USD, and collectively Currencies.

Distribution – a class of units of the relevant Sub-Fund which distributes the earned dividend.

ESMA – European Securities and Market Authority.

EU – the European Union.

Euro or EUR or € – the currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Economic Community, as amended by the Treaty of the European Union.

Exchange Rate – the market rate of exchange for an immediate transfer of cash from one Currency to another Currency.

Financial year – the Fund's accounting year which ends on the 31st December of each year. The exception will be the Fund's first accounting period which will end the 31st December, 2009.

Forward – any forward contract, non-deliverable forward contract or equivalent derivative contract where the underlying asset is a Currency or any other asset.

Fund – the Luxembourg *fonds commun de placement* as more fully described below in the section entitled "The Fund", known as "AXA IM CASH".

GBP or £ – (Great British Pound) - the currency of the United Kingdom.

Group of Companies – companies belonging to the same body of undertakings and which must draw up consolidated accounts in accordance with Council Directive 83/349/EEC of 13 June 1983 on consolidated accounts and according to recognized international accounting rules, as amended.

Institutional Investor – institutional investors, as defined by guidelines or recommendations issued by the Regulatory Authority from time to time.

Investment Manager – the investment manager appointed by the Management Company and defined in the relevant Appendices.

Key Investor Information Document or KIID – document required to be drawn up and published by the Fund for the information of the investors pursuant to article 159 of the law of 2010.

Law of 2010 – the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended from time to time.

Management Company – AXA Funds Management S.A..

Management Regulations – the management regulations of the Fund currently in force.

Member State – a member state of the European Union.

Mémorial – the *Mémorial C, Recueil des Sociétés et Associations*.

Money Market Instruments – instruments normally dealt in on the money market which are liquid, and have a value which can be accurately determined at any time.

Money Market sub-fund – a sub-fund compliant with the criteria for money market funds as described in the CESR's Guidelines on a common definition of European money market funds of 19 May 2010, as amended.

Net Asset Value – the net asset value per Unit of the relevant Sub-Fund as determined in the

Reference Currency on each Valuation Day in accordance with the section below entitled "Determination of the Net Asset Value of Units".

OTC – Over the Counter.

Other Regulated Market – a market which is regulated, operates regularly and is recognized and open to the public, namely a market (i) that meets the following cumulative criteria: liquidity; multilateral order matching (general matching of bid and ask prices in order to establish a single price); transparency (the circulation of complete information in order to give clients the possibility of tracking trades, thereby ensuring that their orders are executed on current conditions); (ii) on which the securities are dealt in at a certain fixed frequency; (iii) which is recognized by a state or by a public authority which has been delegated by that state or by another entity which is recognized by that state or by that public authority such as a professional association and (iv) on which the securities dealt in are accessible to the public.

Other State – any state of Europe which is not a Member State, and any state of America, Africa, Asia or Oceania.

Prospectus – the current prospectus of the Fund dated as the same may be amended from time to time.

Reference Currency – the currency in which the Fund or each Sub-Fund or Class is denominated.

Regulated Market – a regulated market as defined in the Council Directive 2004/39/EC dated 21 April 2004 on markets in financial instruments ("Directive 2004/39/EC") which has been repealed by the Directive 2014/65/EU (MiFID 2) dated 15 May 2014, namely a multilateral system operated and/or managed by a market operator, which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments – in the system and in accordance with its non-discretionary rules – in a way that result in a contract, in respect of the financial instruments admitted to trading under its rules and/or systems, and which is authorised and functions regularly and in accordance with the provisions of the Directive 2004/39/EC.

Regulatory Authority – the *Commission de Surveillance du Secteur Financier* or the "CSSF", the Luxembourg authority or its successor in charge of the supervision of the undertakings for collective investment in the Grand Duchy of Luxembourg.

Settlement Day – unless otherwise specified in the relevant Appendices, one Business Day after the relevant Valuation Day. Settlement being receipt of monies by the Depositary in respect of allotment and dispatch of monies by the Depositary in respect of redemption. In respect of redemption proceeds, if on the settlement day, banks are not open for business in the country of the settlement currency of the relevant Class of unit, then settlement will be on the next Business Day on which those banks are open.

Short-Term Money Market sub-fund – a sub-fund compliant with the criteria for short-term money market funds as described in the CESR's Guidelines on a common definition of European money market funds of 19 May 2010, as amended.

Stable Net Asset Value – Net Asset Value per Unit of the relevant Sub-Fund which seeks to

stable although the stability is not guaranteed.

Sub-Fund – a separate portfolio of assets within the Fund.

Sub-Investment Manager – any entity appointed from time to time by the Investment Manager to undertake some of the Investment Manager's responsibilities.

Transferable Securities – (i) shares and other securities equivalent to shares ("shares"); (ii) bonds and other debt instruments ("debt securities") and (iii) any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange, to the extent they do not qualify as techniques and instruments.

UCI – an undertaking for collective investment as defined by Luxembourg law.

UCITS – an undertaking for collective investment in transferable securities under Article 1(2) of the UCITS Directive.

UCITS Directive – Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings to collective investment in transferable securities (UCITS), as may be amended from time to time.

Units – each unit within any Sub-Fund.

USD – the currency of the United States of America.

Valuation Day – in relation to any Sub-Fund will be the Business Day provided for in the relevant section as per the Appendices, except a Business Day falling within a period of suspension of determination of Net Asset Value, as described in the Section "Determination of the Net Asset Value of Units".

Time referred to in the Prospectus is Central European Time ("CET").

THE FUND

AXA IM CASH is organized in and under the laws of the Grand-Duchy of Luxembourg as a mutual investment fund ("*fonds commun de placement*") with separate Sub-Fund(s) each constituting a separate portfolio of assets and liabilities.

The Fund was created for an indefinite term in Luxembourg on 26th January, 2009.

The Fund is registered pursuant to part I of the Law of 2010. However such registration does not require any Luxembourg authority to approve or disapprove either the adequacy or accuracy of the Prospectus or the assets held in the various Sub-Funds. Any representations to the contrary are unauthorized and unlawful.

In accordance with the Management Regulations, the board of directors of the Management Company may issue Units in each Sub-Fund. A separate pool of assets is maintained for each Sub-Fund and is invested in accordance with the investment objectives applicable to the relevant Sub-Fund. As a result, the Fund is an "umbrella fund" enabling investors to choose between one or more investment objectives by investing in one or more Sub-Funds. Investors may choose which Sub-Fund(s) may be the most appropriate for their specific risk and return expectations as well as their diversification needs.

Each Sub-Fund is treated as a separate entity and operates independently. The portfolio of assets of a given Sub-Fund is invested for the exclusive benefit of such Sub-Fund. A purchase of Units relating to one particular Sub-Fund does not give the holder of such Units any rights with respect to any other Sub-Fund.

The net proceeds from the subscription to each Sub-Fund are invested in the specific portfolio of assets constituting that Sub-Fund.

With regard to third parties, each Sub-Fund will be exclusively responsible for all liabilities attributable to it.

The specific investment policies and features of the Sub-Funds are described in detail in the relevant Appendices.

The board of directors of the Management Company may, at any time, create additional Sub-Funds. In that event the Prospectus will be updated accordingly.

Furthermore, in respect of each Sub-Fund, the board of directors of the Management Company may decide to issue one or more Classes of Units, each Class having (i) a specific sales and redemption charge structure and/or (ii) a specific management or advisory fee structure and/or (iii) different distribution, unitholders servicing or other fees and/or (iv) different types of targeted investors and/or (v) such other features as may be determined by the board of directors of the Management Company from time to time.

Units of different Classes within each Sub-Fund may be issued, redeemed and converted at prices computed on the basis of the Net Asset Value per Unit, within the relevant Class in the relevant Sub-Fund, as defined in the Management Regulations.

The Fund is managed in the interest of its unitholders by the Management Company, a public

limited company ("*société anonyme*") incorporated under the laws of Luxembourg and having its registered office in Luxembourg.

The assets of the Fund are separate from those of the Management Company and from those of other funds managed by the Management Company.

The Management Company manages the assets of the Fund in accordance with the Management Regulations effective on 26th January, 2009 and published in the Mémorial on 12th March 2009 through a notice advising of the deposit of such document with the District Court of Luxembourg. The Management Regulations are deposited with the *Greffe du Tribunal d'Arrondissement de Luxembourg*, where they may be inspected and copies may be obtained. The Management Regulations have been last amended on 13 April 2015, such a modification having been published on 20 April 2015 in the Mémorial in the manner described above.

INVESTMENT OBJECTIVES AND POLICIES

1. Investment Objectives and Policies of the Fund

The investment objective of the Fund is to seek to achieve income generation consistent with the preservation of capital and the maintenance of liquidity by investing in a diversified portfolio of high quality Money Market Instruments.

Unless otherwise specified in the Appendices, for hedging and/or efficient portfolio management purposes, the Fund may, in each Sub-Fund, also expose itself to such assets through the use of derivatives instruments within the limits set forth in the section "Investment Restrictions" and employ techniques and instruments relating to Transferable Securities and Money Market Instruments, as more fully described in each relevant Appendix.

There can be no guarantee that the Fund's investments will be successful or that the investment objectives of the Fund will be achieved. See "Main Risk Considerations" for a discussion of certain factors in connection with an investment in the Fund.

2. Investment Objectives and Policies of the Sub-Funds

The board of directors of the Management Company has determined the investment objectives and policies of each Sub-Fund as described in this section "Investment Objectives and Policies" which gives a general overview as well as in each Appendix which is specific to a Sub-Fund. There can be no guarantee that the investment objective of any Sub-Fund will be attained. Pursuit of the investment objectives and policies of any Sub-Fund must be in compliance with the rules and restrictions set forth under sections "Investment Restrictions" and "Efficient Portfolio Management Techniques" below.

POOLING OF ASSETS

For the purpose of effective management, where the investment policies of the Sub-Funds so permit, the board of directors of the Management Company may choose to allow intra pooling of the assets of certain Sub-Funds. In such a case, assets of different Sub-Funds will be managed in common. The assets which are managed in common shall be referred to as a "pool" notwithstanding the fact that such pools are used solely for internal management purposes. The pools do not constitute separate entities and are not directly accessible to unitholders.

The Investment Manager may invest and manage all or any part of the portfolio assets established for two or more Sub-Funds (for the purposes hereof "Participating Sub-Funds") on a pooled basis. Any such asset pool shall be formed by transferring to it cash or other assets (subject to such assets being appropriate in respect to the investment policy of the pool concerned) from each of the Participating Sub-Funds. Thereafter, the Investment Manager may from time to time make further transfers to each asset pool. Assets may also be transferred back to a Participating Sub-Fund up to the amount of the participation of the Sub-Fund concerned. The Unit of a Participating Sub-Fund in an asset pool shall be measured by reference to notional units of equal value in the asset pool. On formation of an asset pool, the board of directors of the Management Company shall determine the initial value of notional units (which shall be expressed in such currency as the board of directors of the Management Company may consider appropriate) and shall allocate to each Participating Sub-Fund notional units having an aggregate value equal to the amount of cash (or to the value of other assets) contributed. Thereafter, the value of the units shall be determined by dividing the net assets of the asset pool by the number of notional units subsisting.

When additional cash or assets are contributed to or withdrawn from an asset pool, the allocation of notional units of the Participating Sub-Fund concerned will be increased or reduced, as the case may be, by a number of notional units determined by dividing the amount of cash or the value of assets contributed or withdrawn by the current value of a Unit. Where a contribution is made in cash, it may be treated for the purpose of this calculation as reduced by an amount which the board of directors of the Management Company considers appropriate to reflect fiscal charges and dealing and purchase costs which may be incurred in investing the cash concerned; in the case of cash withdrawal, a corresponding deduction may be made to reflect costs which may be incurred in realising securities or other assets of the asset pool.

Dividends, interest and other distributions of an income nature earned in respect of the assets in an asset pool will be applied to such asset pool and cause the respective net assets to increase. Upon the dissolution of the Fund, the assets in an asset pool will be allocated to the Participating Sub-Funds in proportion to their respective participation in the asset pool.

Co-Management

In order to reduce operational and administrative charges while allowing a wider of the investments, the board of directors of the Management Company may decide that part all of the assets of one or several Sub-Funds will be co-managed with assets attributable to sub-funds or assets belonging to other Luxembourg collective investment schemes. In the following paragraphs, the words "co-managed entities" shall refer globally to the Fund and

of its Sub-Funds and all entities with and between which there would exist any given co-management arrangement and the words "co-managed Assets" shall refer to the entire of these co-managed entities and co-managed pursuant to the same co-management arrangement.

Under the co-management arrangement, the Investment Manager will be entitled to take, on a consolidated basis for the relevant co-managed entities, investment, disinvestment and portfolio readjustment decisions which will influence the composition of the assets of the Sub-Funds. Each co-managed entity shall hold a portion of the co-managed Assets corresponding to the proportion of its net assets to the total value of the co-managed Assets. This proportional holding shall be applicable to each and every line of investment held or acquired under co-management. In case of investment and/or disinvestment decisions these proportions shall not be affected and additional investments shall be allotted to the co-managed entities pursuant to the same proportion and assets sold shall be levied proportionately on the co-managed Assets held by each co-managed entity.

In case of new subscriptions in one of the co-managed entities, the subscription proceeds shall be allotted to the co-managed entities pursuant to the modified proportions resulting from the net asset increase of the co-managed entity which has benefited from the subscriptions and all lines of investment shall be modified by a transfer of assets from one co-managed entity to the other in order to be adjusted to the modified proportions. In a similar manner, in case of redemptions in one of the co-managed entities, the cash required may be levied on the cash held by the co-managed entities pursuant to the modified proportions resulting from the net asset reduction of the co-managed entity which has suffered from the redemptions and, in such case, all lines of investment shall be adjusted to the modified proportions. Unitholders should be aware that, in the absence of any specific action by the Fund or its appointed agents, the co-management arrangement may cause the composition of assets of the Sub-Funds to be influenced by events attributable to other co-managed entities such as subscriptions and redemptions. Thus, all other things being equal, subscriptions received in one entity with which a Sub-Fund is co-managed will lead to an increase of such Sub-Fund's reserve of cash. Conversely, redemptions made in one entity with which a Sub-Fund is co-managed will lead to a reduction of such Sub-Fund's reserve of cash. Subscriptions and redemptions may however be kept in the specific account opened for each co-managed entity outside the co-management arrangement and through which subscriptions and redemptions must pass. The possibility to allocate substantial subscriptions and redemptions to these specific accounts together with the possibility for the Management Company or its appointed agents to decide at any time to terminate the co-management arrangement permit the Fund to avoid the readjustments of the assets of its Sub-Funds if these readjustments are likely to affect the interest of the Management Company or the Sub-Funds and of their unitholders.

If a modification of the composition of the Fund or one or several Sub-Fund's assets resulting from redemptions or payments of charges and expenses peculiar to another co-managed entity (i.e. not attributable to the Fund or the Sub-Fund concerned) is likely to result in a breach of the applicable investment restrictions, the relevant assets shall be excluded from the co-management arrangement before the implementation of the modification in order for it not to be affected by the ensuing adjustments.

Co-managed Assets shall only be co-managed with assets intended to be invested pursuant to investment objectives identical to those applicable to the co-managed Assets in order to that investment decisions are fully compatible with the investment policy of the Sub-Funds.

Co-managed Assets shall only be co-managed with assets for which the Depositary is also acting as depositary in order to ensure that the Depositary is able, with respect to the Fund or Sub-Funds, to fully carry out its functions and responsibilities pursuant to the Law of 2010. Depositary shall at all times keep the Fund's assets segregated from the assets of other of co-managed entities and shall therefore be able at all times to identify the assets of the Fund of each Sub-Fund. Since co-managed entities may have investment policies which are not strictly identical to the investment policy of a Sub-Fund, it is possible that as a result the common policy implemented may be more restrictive than that of that Sub-Fund.

The Management Company may decide at any time and without notice to terminate the co-management arrangement.

Unitholders may at all times contact the registered office of the Management Company to be informed of the percentage of assets which are co-managed and of the entities with which there is such a co-management arrangement at the time of their request. Annual and semi-annual reports shall state the co-managed Assets' composition and percentages.

RISK MANAGEMENT PROCESS

The Management Company has delegated the investment management of the Fund to the Investment Manager.

The Investment Manager has established compliance and risk management procedures to ensure compliance with applicable laws and the investment policies and strategies of each Sub-Fund.

In accordance with the Law of 2010 and the applicable regulations, the Management Company shall use a risk-management process which enables it to assess the exposure of each Sub-Fund to market, liquidity and counterparty risks, and to all other risks, including operational risks, which are material for the Sub-Funds.

As part of the risk management process, the Company uses the commitment approach to monitor and measure the global exposure of each Sub-Fund unless otherwise provided for under the relevant appendix. This approach measures the global exposure related to positions on financial derivative instruments ("FDIs") and other efficient portfolio management techniques which may not exceed the total net value of the portfolio of the relevant Sub-Fund.

MAIN RISK CONSIDERATIONS

As for any financial investments, potential investors should be aware that the value of the assets of the Sub-Funds may fluctuate. The Management Company does not guarantee unitholders that they will not suffer losses resulting from their investments.

The risks which a prospective investor should take into account include risks which are

to the Fund, i.e. they apply in respect of all Sub-Funds, and risks which are specific to a Sub-Sub-Fund, i.e. they are specific to a Sub-Fund and arise in respect of the investment objective, policy and strategy which is adopted in relation to the relevant Sub-Fund. For further risk considerations relating to any Sub-Fund, please refer to the relevant sections in the Different risk considerations may apply to each Sub-Fund, and there can be no guarantee that any Sub-Fund will achieve its investment objective. Each prospective investor should consider these risks before investing in the Fund and in any of its Sub-Funds, although the list of such risks is not exhaustive.

Income from Units may fluctuate in money terms, and changes in rates of currency exchange between the value of the currency of an investor's domicile and the Reference Currency of a Sub-Fund may cause the value of Units to go up or down in terms of any particular currency.

An investment in the Units is only suitable for investors who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

Before making any investment decision with respect to the Units, any prospective investors should consult their own stockbroker, bank manager, lawyer, solicitor, accountant and/or financial adviser and carefully review and consider such an investment decision in the light of the foregoing and the prospective investor's personal circumstances.

Market risk

Market risk is the general risk attendant to all investments that the Fund could lose value if the overall security or money markets in which it trades go down. The overall security or money markets may experience short-term volatility as well as extended periods of decline or limited growth. Security or money markets are influenced by numerous factors and events, including changes of interest rates, prospects for national and world economies, natural disasters, terrorist attacks etc. In addition, the value of the Fund's assets may, in particular, be affected by uncertainties relating to changes in government policies, taxation and currency repatriation and restrictions (political risks in technical jargon) in countries in which the Fund may invest.

Liquidity risk

Some of the markets on which a Sub-Fund may invest may prove at times to be illiquid, insufficiently liquid or abnormally volatile. This may affect the ability of a Sub-Fund to, and/or the price at which a Sub-Fund may, liquidate positions to meet redemption requests or other funding requirements.

Counterparty Risk.

This is the risk of default (or counterparty's failure to perform any of its obligations) of any counterparties of the Fund to any OTC financial derivatives transactions and/or securities lending and repurchase agreements transactions.

The counterparty's default (or the counterparty's failure to perform any of its obligations) under these transactions may have a material adverse effect on the Net Asset Value of the Fund.

Foreign exchange/currency risk

Many of the Sub-Funds are invested in securities and/or exposed through derivative contracts denominated in a number of different Currencies other than the Reference Currency in which the Sub-Funds or Class of Units of any Sub-Fund are denominated; changes in foreign currency exchange rates will affect the value of Units held in such Sub-Funds.

Interest Rates

The values of fixed income securities held by the Sub-Funds generally will inversely vary with changes in interest rates and such variation may affect Unit prices accordingly.

Risk of failure to produce the intended results

There is the risk that a strategy used by the Investment Manager may fail to produce the intended results and may cause the Sub-Fund to incur losses.

Transactions in options, futures and swaps

Each Sub-Fund may engage in various portfolio strategies to attempt to reduce certain risks of its investments or to attempt to enhance return. These strategies currently include the use of options, warrants, forward currency exchange contracts, swap and futures contracts and options on futures contracts. The ability to use these strategies may be limited by market conditions and regulatory limits and there can be no guarantee that any of these strategies will meet the expected target.

Risks inherent in the use of options, warrants, foreign currency, swaps and futures contracts and options on futures contracts include, but are not limited to:

- (a) dependence on the Investment Manager's ability to correctly predict the direction of movements of interest rates, securities prices and currency markets;
- (b) imperfect correlation between the prices of options, futures contracts and options thereon and movements in the prices of the securities or currencies being hedged;
- (c) the fact that skills needed to use these strategies are different from those needed to select portfolio securities;
- (d) the possible absence of a liquid secondary market for any particular instrument at any time;
- (e) the possible inability of a Sub-Fund to purchase or sell a portfolio security at a time that otherwise would be favourable for it to do so, or the possible need for a Sub-Fund to sell a portfolio security at a disadvantageous time.

The adverse consequences of the use of options, warrants, foreign currency, swap and futures contracts and options on futures contracts may cause a loss to the Sub-Funds

higher than the amount invested in these instruments. The risk associated with the use of the said instruments may not exceed 100% of the Net Asset Value of the relevant Sub-Fund. Accordingly, the global risk associated with the investments of the Sub-Fund may amount to 200% of the Net Asset Value of the Sub-Fund.

If the Investment Manager's predictions of movements in the direction of the securities, foreign currency and interest rate markets are inaccurate, the adverse consequences to a Sub-Fund may leave the Sub-Fund in a worse position than if such strategies were not used.

Where a Sub-Fund enters into swap or options transactions it is exposed to a potential counterparty risk. In the case of insolvency or default of the swap or option counterparty, such event would affect the assets of the Sub-Fund.

MANAGEMENT OF THE FUND

AXA Funds Management S.A. is the Management Company of the Fund. AXA Funds Management S.A. is a management company as defined under chapter 15 of the Law of 2010. AXA Funds Management S.A. is further authorised to exercise its activity of Alternative Investment Fund Manager in accordance with the law of the 12 July 2013 on alternative investment fund managers implementing Directive 2011/61/EU. The Management Company is organized as a public limited company ("*société anonyme*") under the laws of the Grand-Duchy of Luxembourg and has its registered office in Luxembourg City. Its share capital amounts to 925,345.84 Euros.

The Management Company was established on November 21, 1989 for an unlimited period of time. The articles of incorporation of the Management Company are published in the Mémorial of January 26, 1990. The articles of incorporation were last amended at the extraordinary general meeting of shareholders held on 30 January 2015 and published in the Mémorial of 7 March 2015. The Management Company manages the assets of the Fund in compliance with the Management Regulations in its own name, but for the sole benefit of the unitholders of the Fund.

The Management Company will determine the investment policy of each Sub-Fund within the objectives set forth herein and the restrictions set forth in the Management Regulations.

The Management Company will have the broadest powers to administer and manage each Sub-Fund within the restrictions referred to above, including but not limited to the purchase, sale, subscription, exchange and receipt of securities and other assets permitted by law and the exercise of all rights attached directly or indirectly to the assets of the Fund.

The Management Company has delegated with prior notification of the Regulatory Authority the following functions to third parties, provided that it complies with all the conditions provided for by the Law of 2010 and that it retains responsibility and oversight over such delegates: investment management, transfer agency and administration as detailed below. Support of IT systems and risk management functions are also delegated to AXA Investment Managers entities. The Management Company's liability towards the Fund and its investors

shall not be affected by the fact that it has delegated its functions and duties to third parties or any further sub-delegation.

INVESTMENT MANAGER

For each Sub-Fund, the Management Company has appointed an Investment Manager which is mentioned in the relevant Sub-Fund Appendix to act as investment manager and make, subject to the overall control and ultimate responsibility of the Management Company, discretionary investments with respect to the investment and reinvestment of the assets of the relevant Sub-Fund.

The Investment Manager makes the investment decisions for each Sub-Fund and places purchase and sale orders for the Sub-Fund's transactions. As permitted by applicable laws, these orders may be directed to brokers, including the Investment Manager's affiliates. The Investment Manager draws upon the research and expertise of its asset management affiliates for portfolio decisions and management with respect to certain Fund's assets.

Subject to its overall responsibility, control, and supervision, the Investment Manager may, at its own charge, delegate the management of other investment strategies relating to the Fund or any Sub-Fund to a Sub-Investment Manager subject to the Regulatory Authority's approval or appoint a sub-adviser providing day-to-day advice regarding the Sub-Funds' transactions to the Investment Manager.

The Investment Manager will be paid by the Management Company out of its management fee as from time to time agreed between themselves.

DEPOSITARY, PAYING AGENT, REGISTRAR AGENT AND ADMINISTRATOR

The Management Company has appointed State Street Bank Luxembourg S.A. as depositary of the Fund's assets (the "Depositary").

The Depositary has its office in Luxembourg at 49, avenue J.F. Kennedy, L-1855 Luxembourg. State Street Bank Luxembourg S.A. is a public limited company ("*société anonyme*") incorporated under the laws of the Grand Duchy of Luxembourg. It was incorporated in Luxembourg on 19 January 1990 and presently exists for an unlimited period of time. Its share capital amounted to EUR 65,000,975 on 31st December 2013.

The Depositary carries out the usual duties regarding custody, cash and securities deposits, without any restriction. In particular, and upon the instructions of the Management Company, it will execute all financial transactions and provide all banking facilities. The Depositary will further, in accordance with the Law of 2010 be entrusted with the custody of the assets of the Fund and shall carry out all operations concerning the day-to-day administration of the assets of the Fund. The Depositary must moreover:

- a) ensure that the sale, issue, repurchase, conversion and cancellation of Units effected on behalf of the Fund or by the Management Company are carried out in accordance with the law and the Management Regulations;
- b) ensure that the value of Units is calculated in accordance with the law and the Management Regulations;
- c) carry out the instructions of the Management Company, unless they conflict with the law or the Management Regulations;
- d) ensure that in transactions involving the assets of the Fund, the consideration is remitted to it within the usual time limits provided in the Management Regulations;
- e) ensure that the income of the Fund is applied in accordance with the Management Regulations.

The Depositary shall assume its functions and responsibilities in accordance with the Law of 2010.

Each of the Depositary or the Management Company may terminate the appointment of the Depositary at any time upon ninety (90) days' written notice delivered by either to the other, provided, however, that any termination by the Management Company is subject to the condition that a successor depositary assumes within two months the responsibilities and the functions of the Depositary under these Management Regulations and provided, further, that the duties of the Depositary hereunder shall, in the event of a termination by the Management Company, continue thereafter for such period as may be necessary to allow for the transfer of all assets of the Fund to the successor depositary.

In the event of the Depositary's resignation, the Management Company shall as soon as possible and in any case not later than two months after the termination, appoint a successor depositary who shall assume the responsibilities and functions of the Depositary under these Management Regulations.

State Street Bank Luxembourg S.A. has also been appointed as paying agent, administrator, registrar agent. In such capacity, State Street Bank Luxembourg S.A. is responsible for the general administrative functions required by Luxembourg law such as processing the issue and repurchase of Units, calculation of the Net Asset Value of the Units and the maintenance of accounting records.

The rights and duties of the administrator, registrar agent and paying agent are governed by an Administration Agreement entered into on 27 February 2014 for an unlimited period of time from the date of signature.

Such an agreement may be terminated by each party by notice in writing, delivered by registered mail to the other party, not less than ninety (90) days prior to the date upon which such termination becomes effective.

MANAGEMENT REGULATIONS

By acquiring Units in the Fund, every unitholder approves and fully accepts that the Management Regulations shall govern the relationship between the unitholders, the Management Company and the Depositary.

Subject to the approval of the Depositary, the Management Regulations may be amended by the Management Company at any time, in whole or in part.

Amendments will become effective as per the date of their signature by the Management Company and the Depositary.

While managing the assets of the Fund, the Management Company, or its appointed agents, shall, as provided in the Management Regulations, comply with the restrictions mentioned in the following section.

INVESTMENT RESTRICTIONS

The board of directors of the Management Company shall, based upon the principle of risk spreading, have power to determine the investment policy for the investments for each Sub-Fund, the Reference Currency of a Sub-Fund and the course of conduct of the management and business affairs of the Fund.

Except to the extent that more restrictive rules are provided for in connection with a specific Sub-Fund as described in the relevant Appendices below, the investment policy shall comply with the rules and restrictions laid down hereafter:

For the purposes of this section, each Sub-Fund should be regarded as a separate UCITS.

A. Investments in the Fund shall consist solely of:

- (1) Transferable Securities and Money Market Instruments listed or dealt in on a Regulated Market;
- (2) Transferable Securities and Money Market Instruments dealt in on an Other Regulated Market in a Member State;
- (3) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in an Other State or dealt in on an Other Regulated Market in an Other State;
- (4) recently issued Transferable Securities and Money Market Instruments, provided that:
 - the terms of issue include an undertaking that application will be made for admission to official listing on a Regulated Market, a stock exchange in an Other State or on an Other Regulated Market as described under (1)-(3) above;

- such admission is secured within one year of the issue;

(5) units of UCITS and/or other UCIs, up to 10% of its net assets (unless otherwise specified by the investment policies of a specific Sub-Fund as described in the relevant Appendix) within the meaning of the first and second indent of Article 1 (2) of the UCITS Directive, whether situated in a Member State or in an Other State, provided that:

- such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Regulatory Authority to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured;
- the level of protection for unitholders in such other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive;
- the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
- no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs;

(6) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve (12) months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in an Other State, provided that it is subject to prudential rules considered by the Regulatory Authority as equivalent to those laid down in EU law;

(7) financial derivative instruments, eg in particular options, futures, including equivalent cash-settled instruments, dealt in on a Regulated Market, stock exchange in an Other State or on an Other Regulated Market referred to in (1), (2) and (3) above, and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:

- (i) - the underlying consists of instruments covered by this Section A, financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Fund may invest according to its investment objectives,
 - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Regulatory Authority, and
 - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Fund's initiative,
- (ii) Under no circumstances shall these operations cause the Fund to diverge from its investment objectives.

(8) Money Market Instruments other than those dealt in on a Regulated Market or on an Other Regulated Market, to the extent that the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that such instruments are:

- issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, an Other State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
- issued by an undertaking any securities of which are dealt in on Regulated Markets or on Other Regulated Markets referred to in (1), (2) or (3) above, or
- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the Regulatory Authority to be at least as stringent as those laid down by EU law, or
- issued by other bodies belonging to the categories approved by the Regulatory Authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least ten million Euros (10,000,000 Euros) and which presents and publishes its annual accounts in accordance with directive 78/660/EEC, is an entity which, within a Group of Companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

B. Unless further restricted by the investment policies of a Sub-Fund as described in Appendices below, each Sub-Fund may however:

- (1) Invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those referred to above under A (1) through (4) and (8).
- (2) Hold cash and cash equivalents on an ancillary basis; such restriction may exceptionally and temporarily be exceeded if the board of directors of the Management Company considers this to be in the best interest of the unitholders.
- (3) Borrow up to 10% of its net assets, provided that such borrowings are made only on a temporary basis. Collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed to constitute "borrowings" for the purpose of this restriction.
- (4) Acquire foreign Currency by means of a back-to-back loan.

C. In addition, the Fund shall comply in respect of the net assets of each Sub-Fund with the following investment restrictions per issuer:

(a) Risk Diversification rules

For the purpose of calculating the restrictions described in (1) to (5) and (8) hereunder, companies which are included in the same Group of Companies are regarded as a single issuer.

To the extent an issuer is a legal entity with multiple sub-funds where the assets of a sub-fund are exclusively reserved to the investors in such sub-fund and to those creditors whose claim has arisen in connection with the creation, operation and liquidation of that sub-fund, each sub-fund is to be considered as a separate issuer for the purpose of the application of the risk spreading rules described under items (1) to (5), (7) to (9) and (12) to (14) hereunder.

- ***Transferable Securities and Money Market Instruments***

(1) No Sub-Fund may purchase additional Transferable Securities and Money Market Instruments of any single issuer if:

- (i) upon such purchase more than 10% of its net assets would consist of Transferable Securities and Money Market Instruments of one single issuer, or
- (ii) the total value of all Transferable Securities and Money Market Instruments of issuers in which it invests more than 5% of its net assets would exceed 40% of the value of its net assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

(2) A Sub-Fund may invest on a cumulative basis up to 20% of its net assets in Transferable Securities and Money Market Instruments issued by the same Group of Companies.

(3) The limit of 10% set forth above under (1)(i) is increased to 35% in respect of Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any Other State or by a public international body of which one or more Member State(s) are member(s).

(4) The limit of 10% set forth above under (1)(i) is increased up to 25% in respect of qualifying debt securities issued by a credit institution which has its registered office in a Member State and which, under applicable law, is submitted to specific public control in order to protect the holders of such qualifying debt securities. For the purposes hereof, "qualifying debt securities" are securities the proceeds of which are invested in accordance with applicable law in assets providing a return which will cover the debt service through to the maturity date of the securities and which will be applied on a priority basis to the payment of principal and interest in the event of a default by the issuer. To the extent that a relevant Sub-Fund invests more than 5% of its net assets in debt securities issued by such an issuer, the total value of such investments may not exceed 80% of the net assets of such Sub-Fund.

(5) The securities specified above under (3) and (4) are not to be included for purposes of computing the ceiling of 40% set forth above under (1)(ii).

(6) Notwithstanding the ceilings set forth above, each Sub-Fund is authorized to invest, in accordance with the principle of risk spreading, up to 100% of its net assets in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any other member State of the Organization for Economic Cooperation and Development ("OECD") such as the U.S. or by a public international body of which one or more Member State(s) are member(s), provided that (i) such securities are part of at least six different issues and (ii) the securities from any such issue do not account for more than 30% of the net assets of such Sub-Fund.

(7) Without prejudice to the limits set forth hereafter under (b), the limits set forth in (1) are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body when the aim of the Sub-Fund's investment policy is to replicate the composition of a certain stock or bond index which is recognised by the Regulatory Authority, on the following basis:

- the composition of the index is sufficiently diversified,
- the index represents an adequate benchmark for the market to which it refers,
- it is published in an appropriate manner.

The limit of 20% is raised to 35% where that proves to be justified by exceptional market conditions in particular in Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

- ***Bank Deposits***

(8) A Sub-Fund may not invest more than 20% of its net assets in deposits made with the same body.

- ***Derivative Instruments and efficient portfolio management techniques***

(9) The risk exposure to a counterparty in an OTC derivative transaction and efficient portfolio management techniques may not exceed 10% of the Sub-Fund's net assets when the counterparty is a credit institution referred to in A (6) above or 5% of its net assets in other cases.

(10) Investment in financial derivative instruments shall only be made provided that the exposure to the underlying assets does not exceed in aggregate the investment limits set forth in (1) to (5), (8), (9), (13) and (14). When the Sub-Fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits set forth in (1) to (5), (8), (9), (13) and (14).

(11) When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of (A) (7) (ii) and (D)(1) as well as with the risk exposure and information requirements laid down in the present Prospectus.

- ***Units of Open-Ended Funds***

(12) No Sub-Fund may invest more than 20% of its net assets in the units of a single UCITS or other UCI.

Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the net assets of a Sub-Fund. When a Sub-Fund has acquired units of UCITS and/or other UCIs, the underlying assets of the respective UCITS or other UCIs do not have to be combined for the purposes of the limits laid down in points (13) and (14) below.

- ***Combined limits***

(13) Notwithstanding the individual limits laid down in (1), (8) and (9) above, a Sub-Fund may not combine:

- investments in Transferable Securities or Money Market Instruments issued by,
- deposits made with, and/or
- exposures arising from OTC derivative transactions and efficient portfolio management technique undertaken with

a single body in excess of 20% of its net assets.

(14) The limits set out in (1), (3), (4), (8), (9) and (13) above may not be combined, and thus investments in Transferable Securities or Money Market Instruments issued by the same body, in deposits or derivative instruments or efficient portfolio management techniques made with this body carried out in accordance with (1), (3), (4), (8), (9) and (13) above may not exceed a total of 35% of the net assets of the Fund.

(b) Limitations on Control

(15) The Management Company acting in connection with all the common funds it manages and falling under the scope of the UCITS Directive may not acquire such amount of shares carrying voting rights which would enable it to exercise a significant influence over the management of the issuer.

(16) The Fund may not acquire (i) more than 10% of the outstanding non-voting shares of any one issuer; (ii) more than 10% of the outstanding debt securities of any one issuer; (iii) more than 10% of the Money Market Instruments of any one issuer; or (iv) more than 25% of the outstanding shares or units of any one UCITS and/or other UCI.

The limits set forth in (ii) to (iv) may be disregarded at the time of acquisition if at that time the gross amount of bonds or of the Money Market Instruments or the net amount of the instruments in issue cannot be calculated.

The ceilings set forth above under (15) and (16) do not apply in respect of:

- Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or by its local authorities;

- Transferable Securities and Money Market Instruments issued or guaranteed by any Other State;
- Transferable Securities and Money Market Instruments issued by a public international body of which one or more Member State(s) are member(s); and
- shares in the capital of a company which is incorporated under or organized pursuant to the laws of an Other State provided that (i) such company invests its assets principally in securities issued by issuers of that State, (ii) pursuant to the laws of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State, and (iii) such company observes in its investments policy the restrictions set forth under C, items (1) to (5), (8), (9) and (12) to (16).

D. In addition, the Fund shall comply in respect of its net assets with the following investment restrictions per instrument:

Each Sub-Fund shall ensure that its global exposure relating to derivative instruments does not exceed the total net value of its portfolio.

The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions.

E. Finally, the Fund shall comply in respect of the assets of each Sub-Fund with the following investment restrictions:

- (1) No Sub-Fund may acquire commodities or precious metals or certificates representative thereof.
- (2) No Sub-Fund may invest in real estate provided that investments may be made in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.
- (3) No Sub-Fund may use its assets to underwrite any securities.
- (4) No Sub-Fund may issue warrants or other rights to subscribe for Units in such Sub-Fund.
- (5) A Sub-Fund may not grant loans or guarantees for a third party, provided that such restriction shall not prevent each Sub-Fund from investing in non fully paid-up Transferable Securities, Money Market Instruments or other financial instruments, as mentioned under A, items (5), (7) and (8).
- (6) A Sub-Fund may not enter into uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments as listed under A, items (5), (7) and (8).

F. Notwithstanding anything to the contrary herein contained:

(1) While ensuring observance of the principle of risk-spreading, each Sub-Fund may derogate from paragraph C, items (1) to (9) and (12) to (14) for a period of six months following the date of its authorization.

(2) The ceilings set forth above may be disregarded by each Sub-Fund when exercising subscription rights attaching to securities in such Sub-Fund's portfolio.

(3) If such ceilings are exceeded for reasons beyond the control of a Sub-Fund or as a result of the exercise of subscription rights, such Sub-Fund must adopt as its priority objective in its sale transactions the remedying of such situation, taking due account of the interests of its unitholders.

The board of directors of the Management Company has the right to determine additional investment restrictions to the extent that those restrictions are necessary to comply with the laws and regulations of countries where Units of the Fund are offered or sold.

EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES

A. General

Unless further restricted by the investment policies of a specific Sub-Fund as described in the Appendices, the Fund may employ techniques and instruments relating to Transferable Securities and Money Market Instruments provided that such techniques and instruments are used for efficient portfolio management within the meaning of and under the conditions set out in circulars issued by the Regulatory Authority from time to time.

All assets received by the Fund in the context of efficient portfolio management techniques with a view to reduce its counterparty risk shall be considered as collateral which is subject to the limits and conditions provided for in the relevant Regulatory Authority circulars and summarized here below under section "Collateral Management".

In accordance with its investment objective and with the view to improve its performance, the Fund may enter into securities lending and repurchase agreements transactions under the conditions mentioned here below under sections "B. Securities Lending and Borrowing" and "C. Sale with right of repurchase transactions, reverse repurchase and repurchase Agreement Transactions".

The Management Company may appoint agents, who may (or not) be affiliate companies belonging to AXA IM group, to carry out these transactions, and notably for the counterparties' selection and the management of the collateral.

All revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs and fees, will be returned to the Fund. In consideration for their services, the agents may receive a remuneration borne by the respective Sub-Fund, details of which shall provided as the case may be in the Fund's annual report. Such remuneration may be

as a percentage of gross revenues earned by the Fund through the use of such techniques. In order to prevent any conflicts of interest with agents that would be affiliate companies belonging to AXA IM group, AXA IM Group has put in place a conflicts of interest policy details of which are available on the website www.axa-im.com.

Under no circumstances shall these operations cause a Sub-Fund to diverge from its investment objectives nor shall they entail any substantial supplementary risk.

B. Securities Lending and Borrowing

Unless further restricted by the investment policies of a specific Sub-Fund as described in the Appendices, the Fund may enter into securities lending and borrowing transactions provided that they comply with the following rules and the relevant CSSF circulars:

- (i) The Fund may only lend or borrow securities either directly or through a standardised lending system organised by a recognised clearing institution or by a financial institution specializing in this type of transaction and subject to prudential supervision rules which are considered by the Regulatory Authority as equivalent to those provided by EU law.
- (ii) As part of lending transactions, the Fund must in principle receive a guarantee, which shall not be issued by an entity that is linked to the counterparty and the details of which are described under section “Collateral Management” below. The Fund shall be able to enforce the guarantee at any time.
- (iii) The Fund may only enter into securities lending transactions provided that (i) it is entitled at all time to request the return of the securities lent, or to terminate any securities lending transaction and (ii) that these transactions do not jeopardise the management of the Fund’s assets in accordance with its investment policy.
- (iv) The risk exposure to a counterparty generated through a securities lending transaction or other efficient portfolio management techniques and OTC financial derivatives must be combined when calculating the limits referred to above under items 9 and 13 of sub-section (a) Risk Diversification Rules.
- (v) The securities borrowed by the Fund may not be disposed of during the time they are held by the Fund, unless they are covered by sufficient financial instruments which enable the Fund to reconstitute the borrowed securities at the close of the transaction.
- (vi) Borrowing transactions may not exceed 50% of the global valuation of the securities portfolio of each Sub-Fund.
- (vii) The Fund may borrow securities under the following circumstances in connection with the settlement of a sale transaction: (a) during a period the securities have been sent out for re-registration; (b) when the securities have been loaned and not returned in time; and (c) to avoid a failed settlement when the Depositary fails to make delivery.

C. Sale with right of repurchase transactions, reverse repurchase and repurchase Agreement Transactions

Unless further restricted by the Investment Policies of a specific Sub-Fund as described in the Appendices, the Fund may within the limit set out in the relevant CSSF circulars enter into sales with right of repurchase transactions which consist of the purchase and sale of securities with a clause reserving the seller the right to repurchase from the acquirer the securities sold at a price and term specified by the two parties in their contractual arrangement.

Repurchase transaction may not exceed 100% of the global valuation of the securities portfolio of each Sub-Fund.

The Fund can act either as purchaser or seller in sales with right of repurchase transactions.

The Fund may also enter into:

- Reverse repurchase agreement transactions, which consist of a forward transaction at the maturity of which the seller (counterparty) has the obligation to repurchase the asset sold and the Fund the obligation to return the asset received under the transaction.
- Repurchase agreement transactions, which consist of a forward transaction at the maturity of which the Fund has the obligation to repurchase the asset sold and the buyer (the counterparty) the obligation to return the asset received under the transaction.

Its involvement in such transactions is, however, subject to the following rules:

- (i) The Fund may not buy or sell securities using sales with right of repurchase transaction or (reverse) repurchase agreement transaction unless the counterpart in such transactions is a first class financial institution specializing in this type of transaction subject to prudential supervision rules which are considered by the Regulatory Authority as equivalent to those provided by EU law.
- (iv) The Fund may only enter into a reverse repurchase agreement provided that it shall be able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement in accordance with the relevant Regulatory Authority circulars.
- (v) The Fund may only enter into a repurchase agreement provided that it shall be able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement in accordance with the relevant Regulatory Authority circulars.
- (vi) Fixed-term repurchase and reverse repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Fund.
- (vii) Securities purchased with a repurchase option or through a reverse repurchase transaction must be compliant with the relevant circulars issued by the Regulatory Authority and the Sub-Fund's investment policy and must together with the other

securities that the Sub-Fund holds in its portfolio, globally respect the Sub-Fund's investment restrictions.

- (vii) The risk exposure to a counterparty generated through those transactions or efficient portfolio management techniques and OTC financial derivatives must be combined when calculating the limits referred to above under items 9 and 13 of sub-section (a) Risk Diversification Rules.

COLLATERAL MANAGEMENT

General

As part of OTC financial derivatives transactions and securities lending and repurchase agreement transactions, a Sub-Fund may receive collateral with a view to reduce its counterparty risk.

The purpose of this section is to set the collateral policy that will be applicable in such case.

Eligible collateral

General principles

Collateral received by a Sub-Fund may be used to reduce its counterparty risk exposure with a counterparty if it complies with the criteria listed in circulars issued by the CSSF from time to time in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability. In particular, collateral should comply with the following conditions:

- Any collateral received other than cash should be of high quality, highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation.
- It should be valued on a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place.
- It should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.
- It should be sufficiently diversified in terms of country, market and issuers and shall not entail on an aggregate basis an exposure to a given issuer for more than 20% of its Net Asset Value. By way of derogation, a Sub-Fund may be fully collateralised in different Transferable Securities or Money Market Instruments issued or guaranteed by any of the Member States, one or more of their local authorities, a third party sovereign country such as Canada, Japan, Norway, Switzerland and the United States of America, or any public international body to which one or more Member State(s) belong(s) such as the European Investment Bank, provided that it receives such securities from at least six different issues and that securities from any single issue should not account for more than 30% of such Sub-Fund's Net Asset Value. The collateral shall further comply with the limits set forth above under section "b) Limitations on Control".

- Where there is a title of transfer, the collateral received shall be held by the Depository. For other types of collateral arrangements the collateral can be held by a third party depository which is subject to prudential supervision and which is unrelated to the provider of collateral.
- It should be capable of being fully enforced by the Management Company for the account of the Sub-Fund at any time without reference to or approval from the counterparty.

Eligible assets

As long as it complies with the above mentioned conditions, the collateral may consist of (i) sovereign OECD bonds; and/or (ii) direct investment in bonds issued or guaranteed by first class issuers offering an adequate liquidity or shares listed or dealt on a Regulated Market of a Member State of the European Union or on a stock exchange of a member state of the OECD provided that they are included in a main index.

Level of collateral

The Management Company will determine the required level of collateral for OTC financial derivatives transactions and stock lending and repurchase agreement transactions according to the nature and the characteristics of the executed transactions, the counterparties and the market conditions.

The Management Company may carry out OTC financial derivatives transactions with a level of collateral lower than 100% subject to be compliant with the counterparty risk authorised by the applicable regulations. For certain types of transactions such as but not limited to Foreign Exchange Forward, the level of collateral may be equal to zero.

Reinvestment of collateral

Only Cash collateral may be reinvested within the limits and conditions of the relevant CSSF circulars. Non-cash collateral may therefore not be reinvested. It may also neither be sold nor pledged.

In particular, reinvested cash collateral must comply with the diversification requirements set forth here above under the section “Eligible collateral” and may only be (i) placed on deposited with entities referred to above under item 6 of section “A. Investment in the Fund shall consist solely of”, (ii) invested in high-quality government bonds, (iii) used for the purpose of reverse repo transactions entered into with credit institutions subject to prudential supervision or (iv) invested in short term money market funds.

Haircut policy

A haircut applicable to the assets received as collateral will be applied in accordance with the Management Company’s internal policy relating to the management of collateral. The haircut policy will be determined taking into account the assets characteristics such as the credit standing of the issuers, the maturity, the currency and the price volatility of the assets. No

haircut will be applied to cash collateral.

Despite the creditworthiness of the issuer of the assets received as collateral or the assets acquired by the Sub-Fund on the basis of cash collateral re-invested, the Sub-Fund may be subject to a risk of loss in case of default of the issuers of such assets or in case of default of the counterparties to transactions in which such cash has been re-invested.

The following maximum haircuts are applied:

Collateral Instrument Type	Haircut
Cash	0%
Government Bonds	15%

UNITS

The Fund may issue Units of any Class within each separate Sub-Fund.

Details regarding the Classes of Units available per Sub-Fund and their features are disclosed in the relevant Appendices.

Each Class may, as more fully described for each Sub-Fund in the relevant Appendices, (i) have a different currency of denomination, (ii) be targeted to different types of investors, i.e. retail investors and Institutional Investors, (iii) have different minimum investment and holding requirements, (iv) have a different fee structure, (v) have a different distribution policy or (vi) have a different distribution channel.

Upon creation of new Classes, the Prospectus will be amended accordingly.

The net proceeds from the subscription are invested in the specific portfolio of assets constituting the relevant Sub-Fund.

The Management Company will maintain for each Sub-Fund a separate portfolio of assets. As between unitholders, each portfolio of assets will be invested for the exclusive benefit of the relevant Sub-Fund. As regards third parties, each Sub-Fund is exclusively responsible for all liabilities attributable to it.

The Management Company shall issue Units in registered form only.

All purchases, sales, transfers and exchanges of Units will be recorded on the register of unitholders maintained by the Administrator. The inscription of the unitholder's name in the register of Units evidences his or her right of ownership of such registered Units. A confirmation of unitholding will be delivered upon request. Certificates representing Units will not be issued.

Fractions of registered Units will be issued to one thousandth of a Unit.

All Units within each Class have equal rights as to dividend, repurchase, and proceeds in a

liquidation.

No general meetings of unitholders shall be held and no voting rights shall be attached to the Units.

SUBSCRIPTION OF UNITS

Applications for Units may be made on any Business Day.

Unless otherwise specified in the Appendices, applications for units received by the registrar agent prior to 13.30 (1:30 pm) C.E.T on any Business Day will be processed at a price corresponding to the Net Asset Value per Unit, as calculated on the following Valuation Day plus any subscription fees as mentioned in the relevant Appendix. Different subscription procedure and time limits may apply if applications for Units are made through a distributor. In such instances, each investor should obtain from the distributor information about the subscription procedure relevant to their application together with any time limit by which the subscription must be received. Investors should note that they may be unable to subscribe for Units through a distributor on days that such distributor is not open for business.

All applications received by the registrar agent after 13.30 (1:30 pm) C.E.T shall be deemed to have been received on the following Business Day.

The Net Asset Value per Unit may be rounded up or down to the nearest unit.

Subscription amounts to be paid will be rounded up to the nearest whole currency Unit or sub-unit of the relevant Reference Currency.

Payment shall be made in the Reference Currency of each Class of Units available in the Sub-Fund as disclosed in Appendices below in the form of electronic bank transfer net of all bank charges (except where local banking practices do not allow electronic bank transfers) to the order of the Depository. The payment of the subscription price shall be made by the investor or its agents not later than one (1) Business Day after the applicable Valuation Day on which the request is processed.

- **Minimum Subscription and Holding**

The minimum initial subscription and subsequent subscriptions requirements are set out for each Sub-Fund or Class of Units in the relevant Appendix.

The minimum holding requirements applying both at the level of a given Sub-Fund and of the Fund are set out in the relevant Appendix.

- **Subscription Documentation**

All applicants applying for the first time for Units must complete (or arrange to have

under conditions approved by the Management Company) the Application Form prescribed the Management Company in relation to the Units. Unitholders applying for further Units complete the Application order. The Application Form may be obtained from the Administrator. The Application Form shall (save as determined by the Management) be irrevocable and may be sent by facsimile at the risk of the applicant.

The investors will have to detail in the Application Form or the Application order the amount or the number of Units subscribed.

Failure to provide in a timely manner the Application Form and Application order and such information or documentation evidencing the unitholder's identity, its permanent address and relating to the source of the monies to be invested could result in delay in the allotment of Units, or in a refusal to allot Units.

The Management Company may agree to issue Units as consideration for a contribution in kind of securities to any unitholder who agrees, in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the auditor of the Fund ("réviseur d'entreprises agréé") which shall be available for inspection, and provided that such securities comply with the investment objectives and policies of the relevant Sub-Fund. Any costs incurred in connection with a contribution in kind of securities shall be borne by the relevant unitholders.

Unless otherwise specified in the relevant Appendix for a specific Sub-Fund, the Management Company may, at any time at its discretion, temporarily discontinue, cease definitely or limit the issue of Units to persons or corporate bodies residing or established in certain countries or territories. The Management Company may also prohibit certain persons or corporate bodies from acquiring Units if such a measure is necessary for the protection of the Fund or any Sub-Fund, the Management Company or the unitholders of the Fund or any Sub-Fund.

Furthermore, the Management Company may direct the registrar agent of the Fund to:

- a) reject at its discretion any application for Units;
- b) repurchase at any time the Units held by unitholders who are excluded from purchasing or holding Units.

If on any Valuation Day subscription orders relate to more than 10% of the total net asset value in a specific Class or Sub-Fund, the Management Company may decide that part or all of such requests for subscription will be deferred on a pro rata basis for such period as the Management Company considers to be in the best interests of the Sub-Fund, but normally not exceeding one Valuation Day. On the next Valuation Day following such period, these subscription requests will be met in priority to later requests.

The Units have not been registered under the United States Securities Act of 1933 (the "Securities Act"), and the Fund has not been registered under the United States Investment Company Act of 1940. The Units may not be offered, sold, transferred or delivered, directly indirectly, in the United States, its territories or possessions or to U.S. Persons (as defined in Regulation S under the Securities Act) except to certain qualified U.S. institutions in reliance certain exemptions from the registration requirements of the Securities Act and with the consent of the Management Company. Neither the Units nor any interest therein may be

beneficially owned by any other U.S. Person. The sale and transfer of Units to U.S. Persons is restricted and the Management Company may repurchase Units held by a U.S. Person or to register any transfer to a U.S. Person as it deems appropriate to assure compliance with the Securities Act.

All terms and conditions regarding the subscription of Units described herein may be modified by specific terms and conditions applying to Sub-Funds and further detailed in the relevant Appendix which will prevail.

- **Market Timing and Late Trading**

Subscription, redemption and conversion of Units should be made for investment purposes only. The Fund does not permit market-timing or other excessive trading practices. Excessive, short-term (market-timing) trading practices may disrupt portfolio management strategies and harm Fund performance. To minimise harm to the Fund and the unitholders, the Management Company or the registrar agent on its behalf has the right to reject any subscription or conversion order, or levy in addition to any subscription, redemption or conversion fees which may be charged according to Appendices below, a fee of up to 2% of the value of the order for the benefit of the Fund from any investor who is engaging in excessive trading or has a history of excessive trading or if an investor's trading, in the opinion of the Management Company, has been or may be disruptive to the Fund or any of the Sub-Funds. In making this judgment, the Management Company may consider trading done in multiple accounts under common ownership or control. The Management Company also has the power to redeem all Units held by a unitholder who is or has been engaged in excessive trading. The Management Company will not be held liable for any loss resulting from rejected orders or mandatory redemptions.

Subscriptions, redemptions and conversions are dealt with at an unknown Net Asset Value per Units except otherwise specified in the Appendices.

- **Money Laundering and Terrorist Financing**

Measures aimed towards the prevention of money laundering may require a detailed verification of an applicant's identity. The Management Company (and the Administrator acting on behalf of the Management Company) reserves the right to request such information as is necessary to verify the identity of an applicant. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Management Company (and Administrator acting on behalf of the Management Company) may refuse to accept the application and all subscription monies.

The Management Company, the registrar agent, any distributor and their officers are subject to the provisions of legislation currently in force in Luxembourg relating to money laundering and terrorist financing and, where appropriate, the provisions of similar legislation in force in any other relevant country.

REDEMPTION OF UNITS

Unitholders may request redemption of their Units on any Business Day. Redemption orders must detail the number of Units redeemed. No redemption order in amount will be accepted.

Application for redemption must be made in writing to the registrar agent. Unless otherwise specified in the relevant Appendix, applications for redemption received by the registrar agent prior to 13.30 (1:30 pm) C.E.T on any Business Days will be processed at a price corresponding to the Net Asset Value per Unit, less any redemption fee as mentioned in the relevant Appendix, calculated on the following Valuation Day.

Applications received by the registrar agent at or after 13.30 (1:30 pm) C.E.T on such a Business Day will be deemed to have been received on the following Business Day. The Net Asset Value per Unit of each Class will normally be available one (1) Business Day after the relevant Valuation Day.

If on any Valuation Day redemption requests relate to more than 10% of the total net asset value in a specific Class or Sub-Fund, the Management Company may decide that part or all of such requests for repurchase will be deferred on a pro rata basis for such period as the Management Company considers to be in the best interests of the Sub-Fund, but normally not exceeding one Valuation Day. On the next Valuation Day following such period, these repurchase requests will be met in priority to later requests.

The repurchase price may, depending on the Net Asset Value per Unit applicable on the date of repurchase, be higher or lower than the price paid at the time of subscription.

Unless otherwise specified in Appendices, payment of the redemption price will be made by the Depositary or its agents not later than one (1) Business Days counting from and including the date on which the Net Asset Value of the redeemed Units is available. Payment for such Units will be made in the offering currency of each Class of Units available in the Sub-Fund as disclosed in Appendices below or in any freely convertible currency specified by the unitholder. In the last case, any conversion cost shall be borne by the relevant unitholder.

All terms and conditions regarding the redemption of Units described herein may be modified by specific terms and conditions applying to Sub-Funds and further detailed in the relevant Appendix which will prevail.

CONVERSION OF UNITS

Unless otherwise specified in Appendices, unitholders are entitled to convert all or part of their Units into Units of other Sub-Funds (as far as available) or Units of other Classes of Units (as far as available).

Unitholders who wish to convert all or part of their Units must submit an application by fax,

telex or by post to the registrar agent, specifying the Sub-Fund or Sub-Funds and Classes concerned and the number of Units they wish to convert.

A conversion of Units of one Sub-Fund for Units of another Sub-Fund will be treated as redemption of Units and a simultaneous purchase of Units of the acquired Sub-Fund. A converting unitholder may, therefore, realise a taxable gain or loss in connection with the conversion under the laws of the country of the unitholder's citizenship, residence or domicile.

Units may be tendered for conversion on any Business Day.

All terms and conditions regarding the redemption of Units shall equally apply to the conversion of Units.

Unless otherwise specified in the Appendices, applications for conversion received by the registrar agent prior to 13.30 (13:30 pm) C.E.T on any Business Day will be processed at a price corresponding to the Net Asset Value, less any conversion fees as mentioned in the relevant Appendix, calculated on the following Valuation Day. Applications received by the registrar agent at or after 13.30 (13:30 pm) C.E.T on such a Business Day will be deemed to have been received on the following Business Day. The Net Asset Value of the relevant Units will normally be available one (1) Business Day after the relevant Valuation Day.

If on any Valuation Day, conversion requests relate to more than 10% of the total net asset value in a specific Class or Sub-Fund, the Management Company may decide that part or all of such requests for conversion will be deferred on a pro rata basis for such period as the Management Company considers to be in the best interests of the Sub-Fund, but normally not exceeding one Valuation Day. On the next Valuation Day following such period, these conversion requests will be met in priority to later requests.

The price at which Units shall be converted will be determined by reference to the respective Net Asset Value of the relevant Units of the relevant Class of Units or Sub-Fund calculated on the relevant Valuation Day, taking into account the actual rate of exchange on the day concerned.

If the Valuation Day of the Class of Units or Sub-Fund taken into account for the conversion does not coincide with the Valuation Day of the Class of Units or Sub-Fund into which they shall be converted, the unitholders' attention is drawn to the fact that the amount converted will not generate interest during the time separating the two Valuation Days.

The rate at which all or part of the Units in a given Sub-Fund (the "Original Sub-Fund") are converted into Units in another Sub-Fund (the "New Sub-Fund"), or all or part of the Units of a particular Class of Units (the "Original Class") are converted into another Class of Units within the same Sub-Fund (the "New Class") is determined in accordance with the following formula:

$$A = \frac{B \times C \times E}{D}$$

where:

- A is the number of Units to be allocated in the New Sub-Fund or New Class;
- B is the number of Units of the Original Sub-Fund or Original Class which is to be converted;
- C is the Net Asset Value per Unit of the Original Class or the relevant Class of Units within the Original Sub-Fund at the relevant Valuation Day;
- D is the Net Asset Value per Unit of the New Class or the relevant Class of Units within the New Sub-Fund at the relevant Valuation Day; and
- E is the actual rate of exchange on the day concerned applied to conversions between Sub-Funds or Classes of Units denominated in different currencies, and is equal to 1 in relation to conversions between Sub-Funds or Classes of Units denominated in the same currency.

After conversion of the Units, the Depository will inform the unitholder of the number of Units of the New Sub-Fund or New Class obtained by conversion and the price thereof.

DETERMINATION OF THE NET ASSET VALUE OF UNITS

The Net Asset Value per Unit of each Class in each Sub-Fund is determined in the Reference Currency of the relevant Sub-Fund as disclosed in the relevant Appendices on each Valuation Day.

The Net Asset Value per Unit of each Class of Units for each Sub-Fund is determined by dividing the value of the assets of the Sub-Fund properly allocable to such Class of Units less the liabilities (including any provisions considered by the Management Company to be necessary or prudent) of the Sub-Fund attributable to such Class of Units by the total number of Units outstanding in the relevant Class at the time of the determination of the Net Asset Value. To the extent feasible, investment income, interest payable, fees and other liabilities (including management fees) will be accrued daily.

Unless otherwise specified in Appendices, the assets of the Fund will be valued as follows:

- a) the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.
- b) securities listed or traded on any Regulated Market, stock exchange in an Other State or Other Regulated Market will be valued at the closing price on such markets. If a security is listed or traded on several markets, the closing price at the market which constitutes the main market for such securities, will be determining.

- c) securities not listed or traded on any Regulated Market, stock exchange in an Other State or Other Regulated Market will be valued at their last available market price; Units or shares of UCITS and/or UCI which are not valued in accordance with b) shall be valued on the basis of the latest available redemption price of such Units or shares after deduction of any redemption charges.
- d) securities for which no price quotation is available or for which the price referred to in (a) and/or (b) is not representative of the fair market value, will be valued prudently, and in good faith on the basis of their reasonably foreseeable sales prices.
- e) the value of Money Market Instruments not listed or dealt in on any Regulated Market, stock exchange in an Other State or any Other Regulated Market and with remaining maturity of less than twelve (12) months and of more than ninety (90) days is deemed to be the nominal value thereof, increased by any interest accrued thereon. Money Market Instruments with a remaining maturity of ninety (90) days or less will be valued by the amortised cost method, which approximates market value.
- f) The liquidating value of futures, forward and options contracts not traded on Regulated Markets, stock exchanges in an Other State or on Other Regulated Markets shall mean their net liquidating value determined, pursuant to the policies established in good faith by the Management Company, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward and options contracts traded on Regulated Markets, stock exchanges in an Other State or on Other Regulated Markets shall be based upon the last available settlement prices of these contracts on Regulated Markets, stock exchanges in an Other State and Other Regulated Markets on which the particular futures, forward or options contracts are traded by the Fund; provided that if a futures, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Management Company may deem fair and reasonable.
- g) Values expressed in a currency other than the Reference Currency of a Sub-Fund shall be translated to the Reference Currency of a Sub-Fund at the average of the last available buying and selling price for such currency.
- h) Swaps and all other securities and assets will be valued at fair market value as determined prudently and in good faith by the Management Company according to the procedure approved by the auditors of the Fund.
- i) Shares or units of UCITS and/or other UCIs will be evaluated at their last available net asset value per share or unit as reported by such undertakings. If such net asset value is not ascertained or if the Management Company considers that some other method of valuation more accurately reflects the fair value of the relevant shares or units, the method of valuation of such shares or units will be such as the Management Company in its sole discretion decides.

In the event that extraordinary circumstances render valuations as aforesaid impracticable or inadequate, the Management Company is authorized, prudently and in good faith, to follow other rules in order to achieve a fair valuation of the assets of the Fund.

In addition, unless otherwise specified in the Appendices, if the net inflow or outflow based on the last available prices on any Valuation Day exceeds a certain threshold of Units in issue of that Sub-Fund as determined and reviewed on a periodic basis by the Management Company¹, the Management Company reserves the right to value the underlying assets on an offer or bid price basis respectively.

Each Sub-Fund shall be valued so that all agreements to purchase or sell securities are reflected as of the date of execution, and all dividends receivable and distributions receivable are accrued as of the relevant ex-dividend dates.

In each Sub-Fund, the Management Company may temporarily suspend the determination of the Net Asset Value of Units and in consequence the issue, repurchase and conversion of Units in any of the following events:

- when one or more Regulated Markets, stock exchanges in an Other State or Other Regulated Markets, which provide the basis for valuing a substantial portion of the assets of the Fund attributable to such Sub-Fund, or when one or more Regulated Markets, stock exchanges in an Other State or Other Regulated Markets in the currency in which a substantial portion of the assets of the Fund attributable to such Sub-Fund is denominated, are closed otherwise than for ordinary holidays or if dealings therein are restricted (*inter alia* in respect of exchange controls regulations) or suspended;
- when, as a result of political, economic, military or monetary events or any circumstances outside the responsibility and the control of the Management Company, disposal of the assets of the Fund attributable to such Sub-Fund is not reasonably or normally practicable without being seriously detrimental to the interests of the unitholders;
- in the case of a breakdown in the normal means of communication used for the valuation of any investment of the Fund attributable to such Sub-Fund or if, for any exceptional circumstances, the value of any asset of the Fund attributable to such Sub-Fund may not be determined as rapidly and accurately as required;
- if, as a result of exchange restrictions or other restrictions affecting the transfer of funds, transactions on behalf of the Fund are rendered impracticable or if purchases and sales of the Fund's assets attributable to such Sub-Fund cannot be effected at normal rates of exchange;
- when there is a suspension of the net asset value calculation or of the issue, redemption or conversion rights by the investment fund(s) in which a Sub-Fund is invested.

Any such suspension will be notified to those unitholders who have applied for issue, repurchase or conversion and shall be published in the manner described under the heading "Unitholders' Information" below.

Such suspension as to any Sub-Fund will have no effect on the calculation of the Net Asset Value per Unit, the issue, redemption and conversion of Units of any other Sub-Fund.

¹ Until 22 July 2015, the applicable threshold shall equal to 2% of the Units in issue of the Sub-Fund. After such date, this threshold may be reviewed on a periodic basis by the Management Company.

Any request for subscription, redemption and conversion will be irrevocable except in the of a suspension of the calculation of the Net Asset Value per Unit in the relevant Sub-Fund.

FEES AND EXPENSES

Payable by the Fund

1. General

The Fund shall pay out of the assets of the relevant Sub-Fund all expenses payable by the Sub-Fund which shall include but not be limited to:

- fees payable to and reasonable disbursements and out-of-pocket expenses incurred by its Management Company, Depositary, paying agent, registrar agent, Administrator, and Investment Manager;
- all taxes which may be due on the assets and the income of the Sub-Fund;
- usual banking fees due on transactions involving securities techniques and instruments held in the Sub-Fund;
- legal expenses incurred by the service providers while acting in the interests of the unitholders;
- the cost of any liability insurance or fidelity bonds covering any costs, expenses or losses arising out of any liability of, or claim for damage or other relief asserted against the Management Company and/or the Depositary or other agents of the Fund for violation of any law or failure to comply with their respective obligations under these Management Regulations or otherwise with respect to the Fund;
- the costs and expenses of the preparation and printing of written confirmations of Units; the costs and expenses of preparing and/or filing and printing of the Management Regulations and all other documents concerning the Fund, including registration statements and prospectuses and explanatory memoranda with all authorities (including local securities dealers' associations) having jurisdiction over the Fund or the offering of Units of the Fund; the costs and expenses of preparing, in such languages as are necessary for the benefit of the unitholders, including the beneficial holders of the Units, and distributing annual and semi-annual reports and such other reports or documents as may be required under the applicable laws or regulations of the above-cited authorities; the cost of accounting, bookkeeping and calculating the Net Asset Value; the cost of preparing and distributing public notices to the unitholders; lawyers' and auditor's fees; and all similar administrative charges, including all advertising expenses and other expenses directly incurred in offering or distributing the Units.

All recurring charges will be charged first against income, then against capital gains and then against assets. Other charges may be amortized over a period not exceeding 5 years.

In the event that the Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the Management Company or by any other company with which the Management Company is linked by common management or control, or by a substantial direct or indirect holding, the Management Company or that other company may not charge subscription or redemption fees on account of the Fund's investment in the units of such other UCITS and/or UCIs.

2. Formation and Launching Expenses of Additional Sub-Funds

The costs and expenses incurred in connection with the creation of a new Sub-Fund shall be written off over a period not exceeding five years against the assets of such Sub-Fund only and in such amounts each year as determined by the Management Company on an equitable basis. The newly created Sub-Fund, if launched more than five years after the launching of the Fund shall not bear a pro-rata of the costs and expenses incurred in connection with the formation of the Fund and the initial issue of Units, which have already been written off.

3. Fees of the Management Company

The Management Company is entitled as specified for each Class of Units or Sub-Fund in the Appendices to a management fee for each Class of Units, payable out of the net assets of each Sub-Fund, at the end of each quarter.

The Management Company pays to the Investment Manager a fee out of its management fee as from time to time agreed between themselves, except reasonable out of pocket expenses which are charged directly to the Fund.

4. Fees of the Depositary, Paying Agent, Registrar Agent and Administrator

The paying agent, registrar agent as well as the administrator shall be entitled to receive out of the net assets of each Sub-Fund a fee as described in detail for each Sub-Fund in the relevant section in Appendices below.

The fees due to the Depositary are described in detail for each Sub-Fund in the relevant section in Appendices.

Notwithstanding such fees, the Depositary will receive customary banking fees for transactions.

Any disbursements and out-of-pocket expenses (including without limitation telephone, telex, cable and postage expenses) reasonably incurred by the Depositary, administrator, paying agent and registrar agent, and any custody charges of banks and financial institutions to whom custody of assets of a Sub-Fund is entrusted, will be borne by the relevant Sub-Fund.

5. Fees of the agents to carry out stock lending and repurchase agreement activities

The agents, if any, to carry out stock lending and repurchase agreement activities will receive a remuneration of their services paid by the relevant Sub-Fund and whose details will figure out in the annual report of the Fund relative to the relevant Sub-Fund.

AUDITORS

The auditor of the Fund is PriceWaterhouseCoopers Société Coopérative The auditor of the Fund is appointed by the Management Company and shall, with respect to the assets of the Fund, carry out the duties provided by the Law of 2010.

DIVIDENDS

Unless otherwise specified for specific Classes of Units as disclosed under Appendices below, the Management Company may declare annual or other interim distributions out from the investment income gains and realized capital gains and, if considered necessary to maintain a reasonable level of dividends, out of any other funds available for distribution.

Notwithstanding the above, no distribution may be made as a result of which the total net assets of the Fund would fall below the equivalent in the Reference Currency of the Fund of the minimum amount of the net assets of undertakings for collective investment, as required by Luxembourg law.

Where a distribution is made and not claimed within five (5) years from its due date, it will lapse and will revert to the relevant Sub-Fund.

DURATION, LIQUIDATION AND MERGER OF THE FUND OR OF ANY SUB-FUND

The Fund and each Sub-Fund have been established for an unlimited period of time. However, the Fund or any Sub-Fund may be terminated at any time by mutual agreement between the Management Company and the Depositary, subject to prior notice. The Management Company may, in particular decide such dissolution where the value of the net assets of the Fund or of any Sub-Fund has decreased to an amount determined by the Management Company to be the minimum level for the Fund or for such Sub-Fund to be operated in an economically efficient manner, or in case of a significant change of the economic or political situation, or as a matter of economic rationalisation.

The liquidation of the Fund or of a Sub-Fund cannot be requested by a unitholder.

The event leading to dissolution of the Fund or a Sub-Fund must be announced by a notice published in the Mémorial. In addition, the event leading to dissolution of the Fund or of a Sub-Fund must be announced in at least two newspapers with appropriate distribution, at least one of which must be a Luxembourg newspaper. Such event will also be notified to the unitholders in such other manner as may be deemed appropriate by the Management Company.

The Management Company or, as the case may be, the liquidator it has appointed, will realise

the assets of the Fund or of the relevant Sub-Fund(s) in the best interest of the unitholders thereof, and upon instructions given by the Management Company, the Depositary will distribute the net proceeds from such liquidation, after deducting all liquidation expenses relating thereto, amongst the unitholders of the relevant Sub-Fund(s) in proportion to the number of Units held by them. The Management Company may distribute the assets of the Fund or of the relevant Sub-Fund wholly or partly in kind to any unitholder who agrees in compliance with the conditions set forth by the Management Company (including, without limitation, delivery of independent valuation report issued by the auditors of the Fund) and the principle of equal treatment of unitholders.

At the close of liquidation of the Fund, the proceeds thereof corresponding to Units not surrendered will be kept in safe custody with the Luxembourg *Caisse de Consignation* until the prescription period has elapsed.

Units may be redeemed, provided that unitholders are treated equally.

The Management Company may decide to proceed with a merger (within the meaning of the Law of 2010) of the assets and liabilities (as applicable) of the Fund or any Sub-Fund, being either a merging or a receiving UCITS with those of (i) another existing Sub-Fund within the Fund or another sub-fund within such other Luxembourg or foreign UCITS (the "new sub-fund"), or with those of (ii) another Luxembourg or foreign UCITS (the "new UCITS"), and to redesignate the Units of the Fund or of the Sub-Fund concerned as Units of the new UCITS or the new sub-fund, as applicable.

Such merger shall be subject to the (i) prior authorisation of the Luxembourg supervisory authority in case the Fund or its Sub-Funds is /are the merging UCITS and (ii) the conditions and procedures imposed by the Law of 2010 in particular concerning the merger project and the information on the proposed merger to be provided to the unitholders at least thirty (30) days before the last date for requesting repurchase or redemption or as the case may be conversion as explained under the paragraph below.

As from the moment unitholders have been informed of the proposed merger, they shall have the right to request, without any charge other than those retained by the Fund to meet disinvestment costs, the repurchase or redemption of their Units or, where possible, to convert them into units in another UCITS with similar investment policy and managed by the Management Company or by any other company with which the Management Company is linked by common management or control, or by a substantial direct or indirect holding. Such right shall cease to exist five (5) working days before the date for calculating the exchange ratio of the units of the merging UCITS into those of the receiving UCITS referred to in Article 75 of the Law of 2010.

Any cost associated with the preparation and the completion of the merger shall not be charged neither to the Fund nor to its unitholders.

APPLICABLE LAW AND JURISDICTION

The Management Regulations are governed by the laws of Luxembourg and any dispute arising between the unitholders, the Management Company and the Depositary will be subject to the jurisdiction of the District Court of Luxembourg.

Notwithstanding the foregoing, the Management Company and the Depositary may subject themselves and the Fund, (i) to the jurisdiction of the courts of the countries in which the Units of the Fund are offered and sold with respect to claims by investors resident in such countries, and (ii) with respect to matters relating to subscription, repurchase and conversion by unitholders resident in such countries, to the laws of such countries.

The claims of the unitholders against the Management Company or the Depositary will lapse five years after the date of the event which gave rise to such claims.

GOVERNING LANGUAGE

English shall be the governing language of the Management Regulations.

TAX STATUS

TAXATION IN LUXEMBOURG

The following is a summary of certain material Luxembourg tax consequences of purchasing, owning and disposing of the Units of the Fund. It does not purport to be a complete analysis of all possible tax situations that may be relevant to a decision to purchase, own or sell the Units. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. Prospective purchasers of the Units should consult their own tax advisers as to the applicable tax consequences of the ownership of the Units, based on their particular circumstances. This summary does not allow any conclusions to be drawn with respect to issues not specifically addressed. The following description of Luxembourg tax law is based upon the Luxembourg law and regulations as in effect and as interpreted by the Luxembourg tax authorities on the date of this document and is subject to any amendments in law (or in interpretation) later introduced, whether or not on a retroactive basis.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only.

Any reference in the present section to a tax, duty, levy impost or other charge or withholding a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (impôt sur le revenu des collectivités), municipal business tax (impôt commercial communal), a solidarity

(contribution au fonds pour l'emploi), as well as personal income tax (impôt sur le revenu) generally. Corporate unitholders may further be subject to net wealth tax (impôt sur la as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well the solidarity surcharge invariably apply to most corporate taxpayers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and to the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

TAXATION OF THE FUND

The Fund is not subject to any Luxembourg tax on interest or dividends received by any Sub-Fund, any realised or unrealised capital appreciation of Sub-Fund assets or any distribution paid by any Sub-Fund to unitholders.

The Fund is not subject to any Luxembourg stamp tax or other duty payable on the issuance of Units.

The Fund is as a rule liable in Luxembourg to a subscription tax (taxe d'abonnement) of 0.05% per annum of its Net Asset Value, such tax being payable quarterly on the basis of the value of the aggregate net assets of each Sub-Fund of the Fund at the end of the relevant calendar quarter.

This rate is however of 0.01% per annum for:

- individual Sub-Funds of UCIs the exclusive object of which is the collective investment in money market instruments and the placing of deposits with credit institutions;
- individual Sub-Funds of UCIs the exclusive object of which is the collective investment in deposits with credit institutions;
- individual Sub-Funds of UCIs with multiple Sub-Funds as well as for individual classes of securities issued within a UCI or within a Sub-Fund of a UCI with multiple Sub-Funds, provided that the securities of such Sub-Funds or classes are reserved to one or more institutional investors.

Are further exempt from the subscription tax:

- the value of the assets represented by units held in other UCIs, provided such units have already been subject to the subscription tax;
- UCIs as well as individual Sub-Fund of umbrella funds (i) whose securities are reserved for institutional investors, (ii) whose exclusive object is the collective investment in money market instruments and the placing of deposits with credit institutions, (iii) whose weighted residual portfolio maturity must not exceed ninety (90) days, and (iv) which have obtained the highest possible rating from a recognised rating agency; and
- UCIs whose securities are reserved for (i) institutions for occupational retirement provision, or similar investment vehicles, created on the initiative of

same group for the benefit of its employees and (ii) undertakings of this same group investing funds they hold, to provide retirement benefits to their employees.

- for UCIs as well as individual Sub-Fund of umbrella funds whose main objective is the investment in micro-finance institutions; and
- for UCIs as well as individual Sub-Fund of umbrella funds (i) whose securities are listed or traded on at least one stock exchange or another regulated market operating regularly, recognised and open to the public and (ii) whose exclusive object is to replicate the performance of one or more indices.

The Fund, together with its Management Company, is considered in Luxembourg as a single taxable person for VAT purposes without any input VAT deduction right. A VAT exemption applies in Luxembourg for services qualifying as fund management services. Other services supplied to the Fund/the Management Company could potentially trigger VAT and require the VAT registration of the Fund/the Management Company in Luxembourg so as to enable it to self-assess the VAT regarded as due in Luxembourg on taxable services (or goods to some extent) purchased from abroad.

No VAT liability arises in principle in Luxembourg in respect of any payments by the Fund to its unitholders, to the extent that such payments are linked to their subscription to the Fund's Units and do not constitute the consideration received for taxable services supplied.

Dividends and interest received by the Fund on its investments may be subject to non-recoverable withholding or other taxes in the countries of origin.

TAXATION OF THE UNITHOLDERS

Under present Luxembourg law there are no Luxembourg ordinary income, capital gains, estate or inheritance taxes payable by the unitholders in respect of their units in the Fund, except by unitholders who are domiciled in, or residents of Luxembourg, or by unitholders who have a permanent establishment or a permanent representative in the Grand-Duchy of Luxembourg to which or whom the Units in the Fund are attributable or by unitholders that are former Luxembourg residents.

WITHHOLDING TAX

No withholding tax applies on distribution made by the Fund, except a 35% tax that may be withheld on the basis of the Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments (the "EU Savings Directive") in the case where the Fund falls within the scope of the EU Savings Directive.

Subject to the provisions of the laws dated 21 June 2005 (the "**Laws**") implementing the EU Savings Directive and certain agreements concluded with dependant territories of the EU and other States, distributions of profits as well as capital gains realized on the Units are not to any withholding tax in Luxembourg. Under the Laws, a Luxembourg-based paying agent is required to levy a withholding tax on interest and similar payments made to EU resident individuals and residual entities within the sense of article 4 (2) of the EU Savings Directive (*i.e.* entities without legal personality and whose profits are not taxed under the general

arrangements for the business taxation and that are not, or have not opted to be considered as, UCITS recognized in accordance with EC Directive 2009/65/EC). Such withholding tax is however not levied if the beneficiary of interest payments opts for an exchange of information whereby the tax authorities of his State of residence are informed thereof. The same regime applies to payments made to individuals or residual entities resident in Aruba, British Virgin Islands, Curaçao, Guernsey, Isle of Man, Jersey, Montserrat and Sint Maarten. The tax rate is currently 35%. Responsibility for the withholding tax is assumed by the paying agent

By application of the Laws, the Fund, as it has been established under the contractual form (FCP), is legally considered as having opted to be considered as a UCITS recognized in accordance with EC Directive 2009/65/EC. Interest payments within the meaning of the EU Savings Directive thus may include (i) distributions of profits by the Fund derived from interest payments (as an exception, these rules do not apply if the investment in debt claims of the Fund does not exceed 15%) and (ii) income realised upon the sale, refund or redemption of units or shares if the Fund invests directly or indirectly for more than 25% of its net assets in debt claims and to the extent such income corresponds to gains directly or indirectly derived from interest payments.

On 24 March 2014, the Council of the European Union adopted the Directive 2014/48/UE which changes and broadens the scope of the current applicable EU Savings Directive to further include (i) payments made via some intermediary structures (set or not within the territory of a EU Member State) and (ii) more types of income comparable to interest. Austria and Luxembourg have confirmed that as from 1 January 2015, they will adopt the changes related to the EU Savings Directive and will provide with the information on payments of interest requested by the tax authorities of other EU Member States in compliance with the automatic exchange of information mechanism which will replace the withholding tax system. Luxembourg, to that effect, adopted the law of 25 November 2014 abolishing the withholding tax system as from 1 January 2015 and replacing it by the automatic exchange of information. Finally, the replacement of the amending EU Savings Directive as from 1 January 2017 by an automatic exchange of information in compliance with the Organisation for Economic Co-operation and Development (OECD) standard is currently discussed by the European Union.

US taxation

The foreign account tax compliance provisions (“FATCA”) of the Hiring Incentives to Restore Employment Act 2010 (“HIRE Act”) which apply to certain payments are essentially designed to require reporting of US Person’s direct and indirect ownership of non-US accounts and non-US entities to the US Internal Revenue Service (“IRS”), with any failure to provide the required information resulting in a 30% US withholding tax on direct US investments (and possibly indirect US investments). In order to avoid being subject to US withholding tax, both US investors and non-US investors are likely to be required to provide information regarding themselves and their investors. In this regard, the Luxembourg and US Governments signed an intergovernmental agreement with respect to the implementation of FATCA designed to facilitate compliance with FATCA by Foreign Financial Institutions (“FFI”) in Luxembourg.

The basic terms of FATCA provisions currently appear to include the Fund as a FFI, such that

in order to comply, the Fund may require all unitholders to provide mandatory documentary evidence of their US and/or non-US status and may thus be required to, inter alia, disclose the name, address and taxpayer identification number of certain US Persons that own, directly or indirectly, an interest in the Fund, as well as certain other information relating to such interest, including amounts paid by the Fund, to the United States IRS.

While the Fund will attempt to satisfy any obligations imposed on it to avoid the imposition of the 30% withholding tax, no assurance can be given that the Fund will be able to satisfy all obligations imposed by FATCA. If the Fund is not able to comply with the requirements imposed by FATCA and the Fund may become subject to a withholding tax on its US investments (if any) as a result of FATCA, the value of Units held by all unitholders may be materially affected and unitholders may suffer significant loss as a result.

An unitholder that fails to provide the documentation evidencing its US and/or non-US status as requested by the Fund may lead to a payment of taxes (including US withholding tax) by the Fund attributable to such unitholder's non-compliance under the HIRE Act and such tax liability may be re-charged to such non-compliant unitholder.

Each unitholder and prospective investor should consult its own tax advisers regarding the requirements under FATCA and the possible implication of FATCA on their investment in the Fund. In particular, whilst the Fund will attempt to comply with its FATCA obligations, we invite investors that subscribe or unitholders who hold their Units through financial intermediaries to confirm the FATCA compliance status of those intermediaries to ensure that they do not suffer US withholding tax on their investment returns.

Investors should inform themselves of, and when appropriate consult their professional advisers on, the possible tax consequences of subscribing for, buying, holding, converting (if any), redeeming or otherwise disposing of Units under the laws of their country of citizenship, residence, or domicile or incorporation.

ACCOUNTING YEAR

The Fund's accounting year ends on the 31st December of each year. The consolidated accounts of the Fund will be expressed in Euro. The financial statements of each separate Sub-Fund will be expressed in the Reference Currency of the relevant Sub-Fund.

The accounts of the Management Company and of the Fund will be audited annually by an auditor appointed from time to time by the Management Company.

UNITHOLDERS' INFORMATION

Audited annual reports and unaudited semi-annual reports will be made available to the unitholders at no cost to them at the offices of the Management Company, the Depositary and any paying agent.

Any other financial information to be published concerning the Fund or the Management Company, including the Net Asset Value, the issue, conversion and repurchase price of the Units for each Sub-Fund and any suspension of such valuation, will be made available to the public at the offices of the Management Company.

All notices to unitholders will be sent to unitholders at their address indicated in the register of unitholders and, to the extent required by Luxembourg law, will be published in the Mémorial.

DATA PROTECTION

In accordance with the provisions of the law of 2 August 2002 on the protection of persons with regard to the processing of personal data, the Management Company has to inform unitholders that their personal data is kept by means of a computer system.

The Management Company collects stores and processes by electronic or other means the data supplied by unitholders at the time of their subscription for the purpose of fulfilling the services required by the unitholders and complying with its legal obligations.

The data processed includes the name, address and invested amount of each unitholder (the "Personal Data").

The investor may, at his/her/its discretion, refuse to communicate the Personal Data to the Management Company. In this case however the Management Company may reject his/her/its request for subscription of Units in the Management Company.

In particular, the data supplied by unitholders is processed for the purpose of (i) maintaining the register of unitholders; (ii) processing subscriptions, redemptions and conversions of Units and payments of dividends to unitholders; (iii) performing controls on late trading and market timing practices; (iv) complying with applicable anti-money laundering rules and (v) the calculation of performance fees.

The Management Company can delegate to another entity (the Administrative Agent, the registrar agent) the processing of the Personal Data, in compliance and within the limits of the applicable laws and regulations.

Each unitholder has a right to access his/her/its Personal Data and may ask for a rectification thereof in cases where such data is inaccurate and incomplete. In relation thereto, the unitholder can ask for a rectification by letter addressed to the Management Company.

The unitholder has a right of opposition regarding the use of its Personal Data for marketing purposes. This opposition can be made by letter addressed to the Management Company.

The unitholder's personal data shall not be held for longer than necessary with regard to the purpose of the data processing, observing the legal periods of limitation.

DOCUMENTS AVAILABLE FOR INSPECTION

The following documents will be available for inspection during normal business hours at the registered office of the Management Company:

- 1) Prospectus and KIID;
- 2) The Management Regulations;
- 3) The Custodian Agreement and the Administration Agency, Domiciliary, Paying Agency, Registrar and Transfer Agency, Listing Agency Agreement between the Management Company and State Street Bank Luxembourg S.A.;
- 4) The Delegation of Investment Business Functions Agreement between the Management Company and the relevant Investment Manager;
- 5) The Articles of Incorporation of the Management Company;
- 6) The latest annual and semi-annual reports of the Fund;
- 7) Information regarding procedure on clients' complaints handling.

Copies of the documents under (1), (2), and (6) above may be obtained without cost at the same address.

A brief description of the strategy put in place by the Management Company for determining when and how voting rights attached to instruments held in the Fund's portfolio are to be exercised shall be made available to investors in particular by way of the website www.axa-im-international.com.

APPENDIX I – AXA IM CASH – STERLING LIQUIDITY FUND
(the "Sub-Fund")

1. – Investment Manager

AXA Investment Managers Paris
Coeur Défense, Tour B, La Défense 4
100, Esplanade du Général de Gaulle
92400 Courbevoie
France

2. – Investment Objective

The investment objective of the Sub-Fund is to seek to achieve income generation consistent with the preservation of capital and the maintenance of liquidity by investing in a diversified portfolio of high quality Money Market Instruments.

Typical investors would look for an alternative to cash deposits.

The Sterling Liquidity Fund will seek to maintain a Stable Net Asset Value per Unit of £1.

This Sub-Fund is a Short-Term Money Market sub-fund.

3. – Investment Policy

The Investment Manager will seek to achieve the objectives of the Sub-Fund by investing in European and international high-quality Money Market Instruments, negotiable short-term debt securities and /or bonds, both fixed and floating rates and issued or guaranteed or not by any government or its agencies or a supranational public international body.

Purchased securities shall be rated at least A-1 by Standard & Poor's or equivalent rating by Moody's or Fitch rating agencies.

The selection of securities is however not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell assets is also based on other analysis criteria of the Investment Manager.

The securities, short term securities as cash deposit, commercial papers and overnight deposit in which the Sub-Fund invests shall have an initial or residual maturity of less than thirteen months². The weighted average maturity of the Sub-Fund portfolio will be less than sixty (60) days, and the weighted average life of the Sub-Fund portfolio will be less than 120 (one

² Notwithstanding such provision, the securities, short term securities as cash deposit, commercial papers and overnight deposit in which the Sub-Fund invests shall have an initial or residual maturity of less than twelve (12) months until 22 May 2015.

hundred and twenty) days. The Sub-Fund may also invest in term deposits.

The Reference Currency of the Sub-Fund is GBP.

4. – Investment Restrictions³

In addition to the Fund's investment restrictions defined in the section named "Investment Restriction" the following limits are applicable to the Sub-Fund:

- The Sub-Fund may not invest in ABS securities, other than ABCP securities.
- The Sub-Fund may not invest more than 20% of its net assets in ABCP securities.
- The Sub-Fund may not invest in UCITS or UCI.
- The Sub-Fund may not enter into securities lending transactions.
- The Sub-Fund may use derivatives instruments, mainly interest rate swap and forex forward for hedging purposes.
- The Sub-Fund may invest 10% maximum of its assets in non GBP instruments fully hedged.

5. – Special Risk Considerations

- **Investment Risks**

The Sub-Fund may invest in a wide range of short term debt and Money Market Instruments. Nevertheless, it should be appreciated that the value of an investment and the income therefrom may vary. Accordingly an investor may not get back the full amount invested although the Sub-Fund will be managed seeking to maintain a stable Net Asset Value per Unit. There can be no guarantee that a Stable Net Asset Value per Unit will be maintained. The value of this Sub-Fund may be affected by the creditworthiness of issuers of the Sub-Fund's investments and, notwithstanding the policy of the Sub-Fund of investing in short term instruments, may also be affected by substantial adverse movements in interest rates.

- **Stable Net Asset Value Mechanism Risk**

In order to maintain a Stable Net Asset Value per Unit at £1, income, interest and realised and unrealised profits (including fees and expenses) are accrued and declared daily and paid monthly as dividends. Such dividends are automatically reinvested in the relevant Sub-Fund subscription of additional Units except if the unitholder requests its payment in cash. In addition, to achieve a Stable Net Asset Value, the Money Market Instruments and floating and variable rate obligations held by the Sub-Fund are valued through the amortised cost method described in the paragraph 10 of this Appendix. In case of discrepancies between the Sub-Fund's asset value calculated in accordance with the amortised cost method and the Sub-Fund's asset value calculated in accordance with the marked to market valuation, the Management Company may be led to modify the valuation policy of such financial

³ In addition to these investment restrictions, the Sub-Fund is not entitled to purchase Transferable Securities and Money Market Instruments of any single issuer if upon such purchase more than 5% of the assets would consist of Transferable Securities and Money Market Instruments of one single issuer. There is an exception to this limit, which applies to overnight deposits which can account for a further 3% of the issuer's exposure. Such restriction shall be no longer applicable as from 23 May 2015.

in order to reflect the real market quotation. In such case, the Management Company will not be able to achieve the objective of maintaining Stable Net Asset Value per Unit at £1.

- **Credit Risk**

The Sub-Fund may be exposed to the credit risk of the counterparties with which, or the brokers and dealers and exchanges through which, it deals, whether it engages in exchange-traded or OTC transactions. In the case of any insolvency or failure of any such party, the Sub-Fund might recover, even in respect of property specifically traceable to it, only a pro rata share of all property available for distribution to all of such party's creditors and/or customers. Such an amount may be less than the amounts owed to the Sub-Fund.

Any loss incurred by the Sub-Fund due to the late or non-payment of subscription proceeds in respect of subscription applications received shall be borne by the relevant investor or, if it is not practical to recover such losses from the relevant investor, from the Sub-Fund.

The value of this Sub-Fund may be affected by the creditworthiness of issuers of the Sub-Fund's investments and, notwithstanding the policy of the Sub-Fund of investing in short term instruments, may also be affected by substantial adverse movements in credit.

- **Rating Risk**

The Sub-Fund will seek to maintain the best rating of Standard & Poor's rating agency. Nevertheless, there can be no guarantee that the best rating will be maintained and the tax status of the Sub-Fund may be impacted in case of loss of the best rating.

6. – Dividend policy

The Management Company intends to declare all net income of the Sub-Fund on each relevant Valuation Day as a dividend to unitholders on the register of unitholders as at the close of business on the relevant Valuation Day in an attempt to stabilise the Net Asset Value per Unit at £1.00. Dividends will be declared daily and payable monthly on or about the second Business Day of each following month. For this purpose, net income (from the time immediately preceding determination thereof) shall consist of interest and dividends earned by the Sub-Fund and realised and unrealised profits on the disposal/valuation of investments as may be lawfully distributed less realised and unrealised losses (including fees and expenses) of the Sub-Fund. Dividends payable to unitholders will be automatically reinvested each month by subscription for additional Units of the same Class in the Sub-Fund unless unitholders specifically advise on the application form that dividends be paid by electronic transfer. Different levels of dividend may be declared and paid on each Class of Units. Additional Units will be issued to unitholders at a price calculated in the same way as for other issues of the relevant Class of Units on the same date. There is no minimum of such further Units which may be so subscribed.

In the case of unitholders requesting the repurchase of their Units and the payment to them of accrued dividends on those Units, where the date of repurchase is other than the second Business Day of any month, such orders will be executed (together with the dividend entitlement on the balance of the unitholder's holding of Units) on the second Business Day

the month following the repurchase, provided that dividends shall only accrue up to the date repurchase.

7. – Units

There are currently two (2) Classes of Units available in the Sub-Fund denominated in the Reference Currency mentioned hereinafter:

- Class I – Distribution – GBP;
- Class M – Distribution – GBP

Description of Units

- Class "I" Units

Class “I” Units are dedicated for Institutional Investors only.

- Class "M" Units

Class “M” Units are only subscribed with the prior approval of the Directors and held (i) by AXA Investment Managers or its subsidiaries for use in institutional mandates or investment management agreements for a dedicated fund contracted with the AXA Group or (ii) by Institutional Investors.

The Net Asset Value per Unit is expected to be £1.00 per Unit, although this cannot be guaranteed.

8. – Minimum Subscriptions and Holding

In respect of Class “I” Units:

Minimum initial subscription	500,000,000 GBP
Minimum subsequent investment	None
Minimum holding requirement	500,000,000 GBP

In respect of Class“M” Units:

Minimum initial subscription	500,000,000 GBP
Minimum subsequent investment	None
Minimum holding requirement	500,000,000 GBP

The Management Company may, at its discretion, waive or modify the foregoing requirements in particular cases.

9. – Subscription, redemption and conversion of Units

- **Initial Subscription**

Class “M” Units will be available for initial subscription on 1 June 2015 or if no subscription is received at this date, on the date of the first following subscription in this class of Units at the initial price corresponding to the net asset value of the Class I of the Sub-Fund applicable on the Valuation Day preceding the date of the initial subscription. Payment shall be made to the order of the Depositary at the latest one Business Day from such initial subscription date.

- **Subscription**

Investors may subscribe on each Valuation Day ("**Subscription Day**").

Applications for Units received by the registrar agent prior to 13.30 (1:30 pm) C.E.T on any Valuation Day will be executed on the same Valuation Day and processed at a price corresponding to the Net Asset Value of such Valuation Day, as calculated on the same Business Day.

Applications received by the registrar agent at or after 13.30 (1:30 pm) C.E.T on a given Business Day (D) will be deemed to have been received on the following Business Day (D+1) and will be executed on such following Valuation Day (D+1). The Net Asset Value per Unit of each Class shall be available the same Business Day of the relevant Valuation Day.

Payment shall be made in the Currency in which the relevant Class of Units is denominated in the form of electronic bank transfer net of all bank charges (except where local banking practices do not allow electronic bank transfers) to the order of the Depositary. The payment of the subscription price shall be made by the investor or its agents the same Business Day of the Subscription Day.

- **Redemption**

Investors may redeem their Units on any Valuation Day ("**Redemption Day**"). Redemption requests must be made in writing to the registrar agent. Applications for redemption received by the registrar agent prior to 13:30 (1:30 pm) C.E.T on any Valuation Day will be executed on the same Valuation Day and processed at a price corresponding to the Net Asset Value per Unit, as calculated on the same Business Day. The Net Asset Value per Unit is expected to be £1 per Unit, although this cannot be guaranteed.

Applications received by the registrar agent at or after 13.30 (1:30 pm) C.E.T on a given Business Day (D) will be deemed to have been received on the following Business Day (D+1) and will be executed on such following Valuation Day (D+1). The Net Asset Value per Unit of each Class shall be available the same Business Day of the relevant Valuation Day.

Payment of the redemption price will be made by the Depositary or its agents on the Business Day on which the Net Asset Value of the redeemed Units is available. Payment for such Units will be made in the offering Currency of each Class of Units available in the Sub-Fund.

- **Conversion and transfer**

Unitholders are not entitled to convert Units of this Sub-Fund with Units of other Sub-Funds or to transfer their Units of this Sub-Fund to any other investor or unitholder.

The Management Company may, at its discretion, waive or modify the foregoing requirements in particular cases and provided that the principle of equal treatment of unitholders is complied with.

10. – Valuation policy

The following assets of the Sub-Fund will be valued as described below:

- a) Money Market Instruments not listed or dealt in on any Regulated Market, stock exchange in an Other State or any Other Regulated Market and with remaining maturity of twelve (12) months or less will be valued by the amortised cost method.
- b) Floating and variable rate bonds which have a remaining maturity of up to twelve (12) months at the time of purchase will be valued by the amortised cost method.

The Management Company will review the Sub-Fund's portfolio of securities at such intervals as the Management Company deems appropriate, in order to determine whether the market value of the Sub-Fund's asset, calculated by using available market quotations or other reputable sources, deviates from the Net Asset Value of the Sub-Fund (or in the case of the Distribution Classes from the desired stable Net Asset Value per Unit) as calculated in accordance with the amortised cost method of valuation. If a deviation exists, the Management Company shall take or procure that there is taken such corrective action, as it deems appropriate to eliminate or reduce, to the extent reasonably practicable, the dilution or detriment including, but not limited to, the sale of portfolio securities prior to maturity to realise capital gains or losses or the shortening of the weighted average maturity of the Fund, or the redemption of Units in kind (provided that such redemption is not in the opinion of the Management Company prejudicial to the interest of the unitholders), or the establishment of a Net Asset Value per Unit by using available market quotations.

If the net number of Units to be issued or redeemed in the Sub-Fund on any Valuation Day exceeds a certain threshold of Units in issue of that Sub-Fund as determined and reviewed on periodic basis by the Management Company⁴, the Management Company will have the right value the underlying assets on an offer or bid price basis respectively.

Distribution:

The Management Company shall establish, and the Administrator shall operate, procedures designed to stabilise the Net Asset Value per Unit of each Distribution Class of the Sub-Fund, although this result cannot be guaranteed. Such procedure shall consist of declaring dividends attributable to the Units directly out of the Sub-Fund's net investment income (i.e the excess (i) accrued interest or discount (including both original issue and market discount on taxable securities) on portfolio securities; and (ii) any income of the Sub-Fund from sources other capital gains, over (iii) the amortisation of market premium on all portfolio securities; and (iv)

⁴ Until 22 July 2015, the applicable threshold shall equal to 2% of the Units in issue of the Sub-Fund. After such date, this threshold may be reviewed on a periodic basis by the Management Company.

the estimated expenses of the Sub-Fund, including a proportionate unit of the general of the Fund) and by valuing the Sub-Fund's investment using the amortised cost method (as described above).

The Stable Net Asset Value per Unit for the Sub-Fund is determined by the Administrator and made available at the registered office of the Management Company the same Business Day of the relevant Valuation Day.

11. – Tax Status of the Sub-Fund

This Sub-Fund is exempted from any subscription tax ("*taxe d'abonnement*") as (i) it is reserved for one or more Institutional Investors; (ii) its exclusive objective is the collective investment in Money Market Instruments and the placing of deposits with credit institutions; (iii) its weighted residual maturity does not exceed ninety (90) days and (iv) it has been rated at the highest possible rating by a recognized rating agency.

If the Sub-Fund loses the highest possible rating from a recognized rating agency, then provided the Sub-Fund continues (i) to be only sold to and held by Institutional Investors; and (ii) its exclusive objective is the collective investment in Money Market Instruments and the placing of deposits with credit institutions; it will be liable to subscription tax at the reduced tax rate of 0.01% per annum of the net assets

12. – Fees

- **Payable by the unitholders**

- i) Subscription fees:

The Management Company may charge a subscription fee which shall be equal to a maximum of 2% of the subscription amount.

- ii) Redemption fees:

No redemption fees will be charged on the redemption of Units.

- **Payable by the Sub-Fund**

- i) Management fees payable by the Sub-Fund to the Management Company:

- In respect of Class "I" Units, the Sub-Fund will pay to the Management Company an annual management fee amounting to a maximum of 0.20% of the assets of the Sub-Fund including the dividends.
 - In respect of Class "M" Units, no management fee will be paid by the Sub-Fund to the Management Company. However, the Management Company (i) shall be directly remunerated by the relevant unitholder through management fees agreements or (ii) may be indirectly remunerated through institutional mandates or investment management agreements.

ii) Fees payable by the Sub-Fund to the Depositary, Registrar Agent, Domiciliary, Administrative and Paying Agent:

The domiciliary, administrative and paying agent, registrar agent shall be entitled to receive out of the net assets of the Sub-Fund a maximum fee of 0.05% per year.

The fees due to the Depositary may amount up to a maximum of 0.05% per year, calculated on the basis of the Net Asset Value determined on the last Valuation Day of each month. Notwithstanding such fees, the Depositary will receive customary banking fees per transaction.

Any reasonable disbursements and out-of-pocket expenses (including without limitation telephone, cable and postage expenses) incurred by the Depositary, domiciliary, administrative and paying agent and registrar agent, and any custody charges of banks and financial institutions to whom custody of assets of the Sub-Fund is entrusted, will be borne by the Sub-Fund.

13. – Valuation Day

Every Sub-Fund Business Day shall be a Valuation Day.

14. – Sub-Fund Business Day

A day on which banks are open for business in the United Kingdom.

15. – Reference Currency

The Reference Currency of the Sub-Fund is GBP.

16. – Performance of the Sub-Fund

The performance of the Sub-Fund is indicated in the relevant KIID.

Past performance is not indicative of future results.

APPENDIX II – AXA IM CASH – STERLING FUND
(the "Sub-Fund")

1. – Investment Manager

AXA Investment Managers Paris
Coeur Défense, Tour B, La Défense 4
100, Esplanade du Général de Gaulle
92400 Courbevoie
France

2. – Investment Objective

The investment objective of the Sub-Fund is to seek to achieve income generation consistent with the preservation of capital and the maintenance of liquidity by investing in a diversified portfolio of high quality Money Market Instruments.

Typical investors would look for an alternative to cash deposits for their medium term or temporary cash investment in GBP.

This Sub-Fund is a Money Market sub-fund.

3. – Investment Policy

The Investment Manager will seek to achieve the objectives of the Sub-Fund by investing in European and international high-quality Money Market Instruments, negotiable short-term debt securities and /or bonds, both fixed and floating rates and issued or guaranteed or not by any government or its agencies or a supranational public international body. The securities in which the Sub-Fund invests shall have an initial or residual maturity of less than fifteen (15) months except cash deposits, commercial paper and overnight deposits which will have an initial or residual maturity of less than twelve (12) months, and the time remaining until their next interest rate reset date shall be no more than three hundred and ninety seven (397) days. The weighted average maturity of the Sub-Fund portfolio will be less than one hundred and eighty (180) days, and the weighted average life of the Sub-Fund portfolio will be less than 12 (twelve) months. The Sub-Fund may also invest in term deposits.

The Reference Currency of the Sub-Fund is GBP.

4. – Investment Restrictions⁵:

In addition to the Fund's investment restriction defined in the section named "Investment Restriction" the following limits are applicable to the Sub-Fund

- The Sub-Fund may not invest in ABS securities, other than ABCP securities.
- The Sub-Fund may not invest more than 20% of its net assets in ABCP securities.
- The Sub-Fund may not invest in UCITS or UCI.
- The Sub-Fund may not enter into securities lending transactions.
- The Sub-Fund may use derivatives instruments, mainly interest rate swaps and forex forwards hedging purposes.

5. – Special Risk Considerations

- **Investment Risks**

The Sub-Fund may invest in a wide range of short term debt and Money Market Instruments. Nevertheless, it should be appreciated that the value of an investment and the income therefrom may vary. Accordingly an investor may not get back the full amount invested. The value of this Sub-Fund may be affected by the creditworthiness of issuers of the Sub-Fund's investments and, notwithstanding the policy of the Sub-Fund of investing in short term instruments, may also be affected by substantial adverse movements in interest rates.

- **Credit Risk**

The Sub-Fund may be exposed to the credit risk of the counterparties with which, or the brokers and dealers and exchanges through which, it deals, whether it engages in exchange-traded or OTC transactions. In the case of any insolvency or failure of any such party, the Sub-Fund might recover, even in respect of property specifically traceable to it, only a pro rata share of all property available for distribution to all of such party's creditors and/or customers. Such an amount may be less than the amounts owed to the Sub-Fund.

Any loss incurred by the Sub-Fund due to the late or non-payment of subscription proceeds in respect of subscription applications received shall be borne by the relevant investor or, if it is not practical to recover such losses from the relevant investor, from the Sub-Fund.

The value of this Sub-Fund may be affected by the creditworthiness of issuers of the Sub-Fund's investments and, notwithstanding the policy of the Sub-Fund of investing in short term instruments, may also be affected by substantial adverse movements in credit.

⁵ In addition to these investment restrictions, the Sub-Fund is not entitled to purchase Transferable Securities and Money Market Instruments of any single issuer if upon such purchase more than 5% of the assets would consist of Transferable Securities and Money Market Instruments of one single issuer. There is an exception to this limit, which applies to overnight deposits which can account for a further 3% of the issuer's exposure. Such restriction shall be no longer applicable as from 23 May 2015.

6. – Units

There are currently two (2) Classes of Units available in the Sub-Fund denominated in the Reference Currency mentioned hereinafter:

- Class I – Capitalization – GBP;
- Class M – Capitalization – GBP

Description of Units

- Class "I" Units

Class “I” Units are dedicated for Institutional Investors only.

- Class "M" Units

Class “M” Units are only subscribed with the prior approval of the Management Company and held (i) by AXA Investment Managers or its subsidiaries for use in institutional mandates or investment management agreements for a dedicated fund contracted with the AXA Group or (ii) by Institutional Investors.

7. – Minimum Subscriptions and Holding

In respect of Class “I” Units:

Minimum initial subscription	500,000,000 GBP
Minimum subsequent investment	None
Minimum holding requirement	500,000,000 GBP

In respect of Class “M” Units:

Minimum initial subscription	500,000,000 GBP
Minimum subsequent investment	None
Minimum holding requirement	500,000,000 GBP

The Management Company may, at its discretion, waive or modify the foregoing requirements in particular cases.

8. – Subscription, redemption, conversion and transfer of Units

- **Initial Subscription**

Class “M” Units will be available for initial subscription on 1 June 2015 or if no subscription is received at this date, on the date of the first following subscription in this class of Units at the initial price corresponding to the net asset value of the Class I of the Sub-Fund applicable on the Valuation Day preceding the date of the initial subscription. Payment shall be made to the order of the Depositary at the latest one Business Day from such initial subscription date.

- **Subscription**

Investors may subscribe on each Valuation Day ("**Subscription Day**").

Applications for Units received by the registrar agent prior to 13.30 (1:30 pm) C.E.T on any Valuation Day will be executed on the same Valuation Day and processed at a price corresponding to the Net Asset Value of such Valuation Day, as calculated on the same Business Day.

Applications received by the registrar agent at or after 13.30 (1:30 pm) C.E.T on a given Business Day (D) will be deemed to have been received on the following Business Day (D+1) and will be executed on such following Valuation Day (D+1). The Net Asset Value per Unit of each Class shall be available the same Business Day of the relevant Valuation Day.

Payment shall be made in the Currency in which the relevant Class of Units is denominated in the form of electronic bank transfer net of all bank charges (except where local banking practices do not allow electronic bank transfers) to the order of the Depositary. The payment of the subscription price shall be made by the investor or its agents the following Business Day of the Subscription Day.

- **Redemption**

Investors may redeem their Units on any Valuation Day ("**Redemption Day**"). Redemption requests must be made in writing to the registrar agent. Applications for redemption received by the registrar agent prior to 13:30 (1:30 pm) C.E.T on any Valuation Day will be executed on the same Valuation Day and processed at a price corresponding to the Net Asset Value per Unit, as calculated on the same Business Day.

Applications received by the registrar agent at or after 13.30 (1:30 pm) C.E.T on a given Business Day (D) will be deemed to have been received on the following Business Day (D+1) and will be executed on such Valuation Day (D+1). The Net Asset Value per Unit of each Class shall be available the same Business Day after of the relevant Valuation Day.

Payment of the redemption price will be made by the Depositary or its agents the following Business Day on which the Net Asset Value of the redeemed Units is available. Payment for such Units will be made in the offering Currency of each Class of Units available in the Sub-Fund.

- **Conversion**

Unitholders are not entitled to convert Units of this Sub-Fund with Units of other Sub-Funds or to transfer their Units of this Sub-Fund to any other investor or unitholder.

The Management Company may, at its discretion, waive or modify the foregoing requirements in particular cases and provided that the principle of equal treatment of unitholders is complied with.

9. – Fees

- **Payable by the unitholders**

- i) Subscription fees:

The Management Company may charge a subscription fee which shall be equal to 2% maximum of the subscription amount.

- ii) Redemption fees:

No redemption fees will be charged on the redemption of Units.

- **Payable by the Sub-Fund**

- i) Management fees payable by the Sub-Fund to the Management Company:

- In respect to Class “I” Units, the Sub-Fund will pay to the Management Company an annual management fee amounting to a maximum of 0.20% of the asset of the Sub-Fund.
- In respect of Class “M” Units, no management fee will be paid to the Management Company. However, the Management Company (i) shall be directly remunerated by the relevant unitholder through management fees agreements or (ii) may be indirectly remunerated through institutional mandates or investment management agreements.

- ii) Fees payable by the Sub-Fund to the Depository, Registrar Agent, Domiciliary, Administrative and Paying Agent:

The domiciliary, administrative and paying agent, registrar agent shall be entitled to receive out of the net assets of the Sub-Fund a maximum fee of 0.05% per year.

The fees due to the Depository may amount up to a maximum of 0.05% per year, calculated on the basis of the Net Asset Value determined on the last Valuation Day of each month. Notwithstanding such fees, the Depository will receive customary banking fees per transaction.

Any reasonable disbursements and out-of-pocket expenses (including without limitation telephone, cable and postage expenses) incurred by the Depository, domiciliary, administrative and paying agent and registrar agent, and any custody charges of banks and financial institutions to whom custody of assets of the Sub-Fund is entrusted, will be borne by the Sub-Fund.

10. – Valuation policy

The following assets of the Sub-Fund will be valued as described below:

- a) Money Market Instruments not listed or dealt in on any Regulated Market, stock exchange in an Other State or any Other Regulated Market and with remaining maturity

of ninety (90) days or less will be valued by the amortised cost method.

- b) Money Market Instruments not listed or dealt in on any Regulated Market, stock exchange in an Other State or any Other Regulated Market and with remaining maturity of more than ninety (90) days will be valued using available market quotations.

The Management Company will review the valuation policy of the Money Market Instruments with remaining maturity of ninety (90) days or less at such intervals as the Management Company deem appropriate, in order to determine whether the market value of such Money Market Instruments, calculated by using available market quotations or other reputable sources, deviates from the approximate market value calculated calculating in accordance with the amortised cost method of valuation and, if so, whether such deviation exists, the Management Company shall establish the value of Money Market Instruments with remaining maturity of ninety (90) days or less by using available market quotations.

11. – Tax status of the Sub-Fund

Given the fact that for the time being there are only class I units reserved to Institutional Investors, the Sub-Fund is subject to a subscription tax ("*taxe d'abonnement*") of 0.01% per annum of its net assets, such tax being payable quarterly and calculated on the basis of the total net asset value of the Sub-Fund at the end of the relevant quarter.

12. – Valuation Day

Every Sub-Fund Business Day shall be a Valuation Day.

13. – Sub-Fund Business Day

A day on which banks are open for business in the United Kingdom.

14. – Reference Currency

The Reference Currency of the Sub-Fund is GBP.

15. – Performance of the Sub-Fund

The performance of the Sub-Fund is indicated in the relevant KIID.

Past performance is not indicative of future results.

APPENDIX III – AXA IM CASH – STERLING STRATEGIC FUND
(the "Sub-Fund")

1. – Investment Manager

AXA Investment Managers Paris
Coeur Défense, Tour B, La Défense 4
100, Esplanade du Général de Gaulle
92400 Courbevoie
France

2. – Investment Objective

The investment objective of the Sub-Fund is to seek to achieve income generation consistent with the preservation of capital and the maintenance of liquidity by investing in a diversified portfolio of high quality Money Market Instruments.

Typical investors would look for an alternative to cash deposits.

This Sub-Fund is a Money Market sub-fund.

3. – Investment Policy

The Investment Manager will seek to achieve the objectives of the Sub-Fund by investing in European and international high-quality Money Market Instruments, mainly denominated in GBP, including but not limited to negotiable short-term debt securities and bonds, both fixed and floating rates issued by sovereign governments or their agencies, supranational public international bodies, corporations or financial institutions. Such instruments may be or not guaranteed by sovereign governments or their agencies, supranational public international bodies.

Purchased securities shall be rated at least A-1 (short term) and A+ (long term) considering the lowest rating of Standard & Poor's or equivalent rating by Moody's or Fitch rating agencies (long term rating constraint only applies to bonds).

The selection of securities is however not exclusively and mechanically based on their publicly available credit ratings but also on an internal credit or market risk analysis. The decision to buy or sell assets is also based on other analysis criteria of the Investment Manager.

The securities in which the Sub-Fund invests shall have an initial or residual maturity of less than fifteen (15) months, and the time remaining until their next interest rate reset date shall be no more than three hundred and ninety seven (397) days. The weighted average maturity of the Sub-Fund portfolio will be less than one hundred and eighty (180) days and the weighted average life of the Sub-Fund portfolio will be less than 12 (twelve) months. The Sub-Fund may also invest in term deposits.

The Reference Currency of the Sub-Fund is GBP.

4. – Investment Restrictions⁶

In addition to the Fund's investment restrictions defined in the section named "Investment Restriction" the following limits are applicable to the Sub-Fund:

- The Sub-Fund may not invest in ABS securities, other than ABCP securities.
- The Sub-Fund may not invest more than 20% of its net assets in ABCP securities.
- The Sub-Fund may not invest in UCITS or UCI.
- The Sub-Fund may not enter into securities lending transactions.
- The Sub-Fund may use derivatives instruments, mainly interest rate swap and forex forward for hedging purposes.
- The Sub-Fund may invest 10% maximum of its assets in non GBP instruments fully hedged.

5. – Special Risk Considerations

- **Investment Risks**

The Sub-Fund may invest in a wide range of short term debt and Money Market Instruments. Nevertheless, it should be appreciated that the value of an investment and the income there from may vary. Accordingly an investor may not get back the full amount invested. The value of this Sub-Fund may be affected by the creditworthiness of issuers of the Sub-Fund's investments and, notwithstanding the policy of the Sub-Fund of investing in short term instruments, may also be affected by substantial adverse movements in interest rates.

- **Credit Risk**

The Sub-Fund may be exposed to the credit risk of the counterparties with which, or the brokers and dealers and exchanges through which, it deals, whether it engages in exchange-traded or OTC transactions. In the case of any insolvency or failure of any such party, the Sub-Fund might recover, even in respect of property specifically traceable to it, only a pro rata share of all property available for distribution to all of such party's creditors and/or customers. Such an amount may be less than the amounts owed to the Sub-Fund.

Any loss incurred by the Sub-Fund due to the late or non-payment of subscription proceeds in respect of subscription applications received shall be borne by the relevant investor or, if it is not practical to recover such losses from the relevant investor, from the Sub-Fund.

The value of this Sub-Fund may be affected by the creditworthiness of issuers of the Sub-Fund's investments and, notwithstanding the policy of the Sub-Fund of investing in short

⁶ In addition to these investment restrictions, the Sub-Fund is not entitled to purchase Transferable Securities and Money Market Instruments of any single issuer if upon such purchase more than 5% of the assets would consist of Transferable Securities and Money Market Instruments of one single issuer. There is an exception to this limit, which applies to overnight deposits which can account for a further 3% of the issuer's exposure. Such restriction shall be no longer applicable as from 23 May 2015.

term instruments, may also be affected by substantial adverse movements in credit.

6. – Units

There are currently two (2) Classes of Units available in the Sub-Fund denominated in the Reference Currency mentioned hereinafter:

- Class I - Distribution – GBP;
- Class M - Distribution – GBP

Description of Units

- Class "I" Units

Class “I” Units are dedicated for Institutional Investors only.

- Class “M” Units

The Class “M” Units are only subscribed with the prior approval of the Directors and held (i) by AXA Investment Managers or its subsidiaries for use in institutional mandates or investment management agreements for a dedicated fund contracted with the AXA Group or (ii) by Institutional Investors.

7. – Minimum Subscriptions and Holding

In respect of Class “I” Units:

Minimum initial subscription	500,000,000 GBP
Minimum subsequent investment	None
Minimum holding requirement	500,000,000 GBP

In respect of Class “M” Units:

Minimum initial subscription	500,000,000 GBP
Minimum subsequent investment	None
Minimum holding requirement	500,000,000 GBP

The Management Company may, at its discretion, waive or modify the foregoing requirements in particular cases and provided that the principle of equal treatment of unitholders is complied with.

8. – Subscription, redemption and conversion of Units

- **Initial Subscription**

Class “M” Units will be available for initial subscription on 1 June 2015 or if no subscription

received at this date, on the date of the first following subscription in this class of Units at the initial price corresponding to the net asset value of the Class I of the Sub-Fund applicable on Valuation Day preceding the date of the initial subscription. Payment shall be made to the of the Depository at the latest one Business Day from such subscription date.

- **Subscriptions**

Investors may subscribe on each Valuation Day ("**Subscription Day**").

Applications for Units received by the registrar agent prior to 13.30 (1:30 pm) C.E.T on any Valuation Day will be executed on the same Valuation Day and processed at a price corresponding to the Net Asset Value of such Valuation Day, as calculated on the same Business Day.

Applications received by the registrar agent at or after 13.30 (1:30 pm) C.E.T on a given Business Day (D) will be deemed to have been received on the following Business Day (D+1) and will be executed on such following Valuation Day (D+1). The Net Asset Value per Unit of each Class shall be available the same Business Day of the relevant Valuation Day.

Payment shall be made in the Currency in which the relevant Class of Units is denominated in the form of electronic bank transfer net of all bank charges (except where local banking practices do not allow electronic bank transfers) to the order of the Depository. The payment of the subscription price shall be made by the investor or its agents the following Business Day of the Subscription Day.

- **Redemption**

Investors may redeem their Units on any Valuation Day ("**Redemption Day**"). Redemption requests must be made in writing to the registrar agent. Applications for redemption received by the registrar agent prior to 13:30 (1:30 pm) C.E.T on any Valuation Day will be executed on the same Valuation Day and processed at a price corresponding to the Net Asset Value per Unit, as calculated on the same Business Day.

Applications received by the registrar agent at or after 13.30 (1:30 pm) C.E.T on a given Business Day (D) will be deemed to have been received on the following Business Day (D+1) and will be executed on such following Valuation Day (D+1). The Net Asset Value per Unit of each Class shall be available the same Business Day of the relevant Valuation Day.

Payment of the redemption price will be made by the Depository or its agents the following Business Days on which the Net Asset Value of the redeemed Units is available. Payment for such Units will be made in the Reference Currency of each Class of Units available in the Sub-Fund.

- **Conversion and transfer**

Unitholders are not entitled to convert Units of this Sub-Fund with Units of other Sub-Funds or to transfer their Units of this Sub-Fund to any other investor or unitholder.

The Management Company may, at its discretion, waive or modify the foregoing requirements in particular cases and provided that the principle of equal treatment of unitholders is respected.

9. – Valuation policy

The following assets of the Sub-Fund will be valued as described below:

- a) Money Market Instruments not listed or dealt in on any Regulated Market, stock exchange in an Other State or any Other Regulated Market and with remaining maturity of ninety (90) days or less will be valued by the amortised cost method.
- b) Money Market Instruments not listed or dealt in on any Regulated Market, stock exchange in an Other State or any Other Regulated Market and with remaining maturity of more than ninety (90) days will be valued using available market quotations.

The Management Company will review the valuation policy of the Money Market Instruments with remaining maturity of ninety (90) days or less at such intervals as the Management Company deems appropriate, in order to determine whether the market value of such Money Market Instruments, calculated by using available market quotations or other reputable sources, deviates from the approximate market value calculated in accordance with the amortised cost method of valuation and, if so, whether such deviation exists, the Management Company shall establish the value of Money Market Instruments with remaining maturity of ninety (90) days or less by using available market quotations.

10. – Fees

- **Payable by the unitholders**

- i) Subscription fees:

The Management Company may charge a subscription fee which shall be equal to a maximum of 2% of the subscription amount.

- ii) Redemption fees:

No redemption fees will be charged on the redemption of Units.

- **Payable by the Sub-Fund**

- i) Management fees payable by the Sub-Fund to the Management Company:

- With respect to Class “I” Units, the Sub-Fund will pay to the Management Company an annual management fee amounting to a maximum of 0.20% of the assets of the Sub-Fund including the dividends.
- With respect to Class “M” Units, no management fee will be paid to the Management Company. However, the Management Company (i) shall be directly remunerated by the relevant unitholder through management fees agreements or (ii) may be indirectly remunerated through institutional mandates or investment management agreements.

ii) Fees payable by the Sub-Fund to the Depositary, Registrar Agent, Domiciliary, Administrative and Paying Agent:

The domiciliary, administrative and paying agent, registrar agent shall be entitled to receive out of the net assets of the Sub-Fund a maximum fee of 0.05% per year.

The fees due to the Depositary may amount up to a maximum of 0.05% per year, calculated on the basis of the Net Asset Value determined on the last Valuation Day of each month. Notwithstanding such fees, the Depositary will receive customary banking fees per transaction.

Any reasonable disbursements and out-of-pocket expenses (including without limitation telephone, cable and postage expenses) incurred by the Depositary, domiciliary, administrative and paying agent and registrar agent, and any custody charges of banks and financial institutions to whom custody of assets of the Sub-Fund is entrusted, will be borne by the Sub-Fund.

11. Tax Status of the Sub-Fund

Given the fact that for the time being there are only class I units reserved to Institutional Investors, the Sub-Fund is subject to a subscription tax ("*taxe d'abonnement*") of 0.01% per annum of its net assets, such tax being payable quarterly and calculated on the basis of the total net asset value of the Sub-Fund at the end of the relevant quarter.

12– Valuation Day

Every Sub-Fund Business Day shall be a Valuation Day.

13. – Sub-Fund Business Day

A day on which banks are open for business in the United Kingdom.

14. – Reference Currency

The Reference Currency of the Sub-Fund is GBP.

15. – Performance of the Sub-Fund

The performance of the Sub-Fund is indicated in the relevant KIID.

Past performance is not indicative of future results.