

# PROSPECTUS

*The shares or units of the fund mentioned herein ("the Fund") have not been registered under the US Securities Act of 1933 and may not be offered or sold directly or indirectly in the United States of America (including its territories and possessions), to US persons, as defined in Regulation S ("US persons").*

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## **1 GENERAL CHARACTERISTICS**

**Name:**

**GROUPAMA ETAT EURO CT**

**Legal form and Member State in which the Fund was incorporated:**

French-law mutual fund (*Fonds Commun de Placement*, FCP).

**Formation date and planned term:**

20 July 1994

Fund initially formed for a 99-year term.

## Summary of the management offer:

Unit class	ISIN code	Eligible subscribers	Allocation of distributable income	Currency of expression	Minimal initial subscription amount	Net asset value at launch
G	FR0013428190	Reserved for companies, subsidiaries and regional mutuals of Groupama Assurances Mutuelles	Accumulation and/or distribution and/or carry forward	Euro	€300,000	€1,000
IC (1)(3)	FR0000989634	Reserved for institutional investors	Accumulation	Euro	One thousandth of a unit	€1,524.49
ID (1)(2)	FR0000989642	Reserved for institutional investors	Distribution and/or carry forward	Euro	One thousandth of a unit	€1,524.49
M (3)	FR0010693101	Reserved for institutional investors except UCIs or mandates managed by Groupama Asset Management or its subsidiaries	Accumulation	Euro	One thousandth of a unit	€100 (2)
N	FR0010693093	All subscribers	Accumulation	Euro	One unit	€500
O (3)	FR0010890939	Reserved for UCIs and mandates managed by Groupama Asset Management or its subsidiaries, and belonging to the Opale range	Accumulation	Euro	One thousandth of a unit	€10,000
R	FR0013279528	Reserved for investors subscribing via distributors or intermediaries providing advisory services as defined by the MIFID II European regulations, or individual portfolio management services under mandate when they are exclusively remunerated by their clients	Accumulation	Euro	One thousandth of a unit	€500

(1) Including all unitholders who subscribed to the Fund before units were created.

(2) NAV split by 100 on 26 February 2009

(3) Including all subscriptions made before 19 April 2017

### Place where the Fund regulations, the latest annual report and interim financial statement may be obtained:

The latest annual reports and details on the composition of the Fund's assets will be sent to shareholders within eight working days upon written request to:

Groupama Asset Management, 25, rue de la Ville l'Evêque - 75008 Paris - France.

These documents are also available on the company's website at [www.groupama-am.com](http://www.groupama-am.com).

### Contact details:

- For corporate and institutional investors: Groupama Asset Management's Business Development Department (sales office: +33 (0)1 44 56 76 76).

- For individual investors: Your distributor (Groupama Assurances Mutuelles distribution networks; external distributors approved by Groupama Asset Management).

Any additional information, if necessary, may be obtained from the Groupama Asset Management Business Development Department (Sales office: +33 (0)1 44 56 76 76).

## 2 ADMINISTRATORS

### Management Company:

**Groupama Asset Management**, 25, rue de la Ville de l'Evêque - 75008 Paris - France, a Portfolio Management Company authorised by the *Commission des opérations de bourse*, now superseded by the *Autorité des marchés financiers* (French financial markets authority - AMF), under number GP 93-02 on 5 January 1993.

### Depository – Custodian

**CACEIS Bank**, 1-3 Place Valhubert, 75013 Paris - France, a credit institution authorised by the CECEI (now the ACPR, the French Prudential Supervisory and Resolution Authority) on 1 April 2005.

The custodian's duties, as defined by the applicable regulations, include custody of the assets, checking that the Management Company's decisions are lawful and monitoring UCIs' cash flows.

The custodian is independent of the Management Company.

The description of the delegated custodial duties, the list of representatives and sub-representatives of CACEIS Bank and information relating to conflicts of interest that may result from these delegations are available on the CACEIS website: [www.caceis.com](http://www.caceis.com).

Updated information is made available to investors upon request.

### Clearing of subscriptions/redemptions

- **Groupama Asset Management**, for directly registered units.

Following collection of these orders, Groupama Asset Management will forward them to CACEIS Bank in its capacity as an affiliate of Euroclear France.

- And, by delegation of the Management Company, **CACEIS Bank** for bearer or administered registered units.

### Institutions appointed to receive subscriptions and make redemptions, and responsible for respecting the clearing deadlines indicated in the prospectus, by delegation of the Management Company

- **CACEIS Bank**, for bearer or administered registered units

### Fund accounting

**CACEIS Bank** is responsible for the UCI's fund accounting, covering the clearance of subscription and redemption orders for units of the UCI. It will process these orders in partnership with Euroclear France, with which the UCI is listed, and manage the UCI's unit issuance account for bearer or administered registered units.

### Auditor:

**EY**, Tour First - 1 Place des Saisons - TSA 14444 - 92037 Paris, La Défense Cedex - France.

### Accounting representative:

**CACEIS Fund Administration** – 1-3 Place Valhubert 75013 Paris – France, a credit institution authorised by the CECEI (now the ACPR) on 1 April 2005.

### Distributors:

Groupama Assurances Mutuelles distribution networks (8-10 Rue d'Astorg - 75008 Paris - France) and external distributors approved by Groupama Asset Management.

### **Conflict of interests management policy**

In order to identify, prevent, manage and monitor conflicts of interest that result from delegations, the Management Company has implemented a conflict of interests management policy available on request from your usual advisor or on the Management Company's website [www.groupama-am.com](http://www.groupama-am.com).

## **3 MANAGEMENT PRINCIPLES**

### **3.1 General characteristics**

#### **Characteristics of units:**

##### Type of right attached to the unit class:

Each unitholder has a shared ownership right in the assets of the Fund in proportion to the number of units held.

##### Shareholder Register and Fund Accounting:

Fund accounting is provided by the custodian.

Unit administration is performed by Euroclear France.

##### Voting rights:

No voting rights are attached to the units, as decisions are made by the Management Company.

##### Types of units:

Units are registered and/or bearer units.

##### Fractioning:

Units may be subscribed and redeemed in exact amounts or ten-thousandths of a unit for I class units.

Units may be subscribed and redeemed in exact amounts and in thousandths of a unit for G, M, N, O and R class units.

#### **Financial year-end:**

The last Paris Stock Exchange trading day in September.

The first financial year ended on the last Paris Stock Exchange trading day in September 1995.

#### **Tax system:**

The Fund is not subject to corporation tax. In accordance with the principle of transparency, the tax authorities consider the unitholder to be the direct owner of a share of the financial instruments and cash held in the Fund.

The tax treatment of any capital gain or income from holding Fund units depends on tax provisions specific to the investor's own particular circumstances and/or on the tax provisions in the country where the investor resides. Investors should seek professional financial advice.

The French tax system considers a switch from one unit class to another unit class to be a sale subject to capital gains tax.

### 3.2 Special provisions

#### **ISIN codes of the unit classes**

G unit	FR0013428190
IC unit	FR0000989634
ID unit	FR0000989642
N unit	FR0010693093
M unit	FR0010693101
O unit	FR0010890939
R unit	FR0013279528

#### **Classification:**

**"Bonds and other debt securities denominated in euros" UCITS**

**Investment in UCIs:** less than 10% of the net assets.

#### **Investment objective:**

The Fund's investment objective is to seek to outperform its benchmark, the Bloomberg Euro Aggregate Treasury 1-3 Year Index, closing price, calculated with coupons reinvested.

#### **Benchmark index:**

The benchmark is the Bloomberg Euro Aggregate Treasury 1-3 Year Index, closing price, calculated with coupons reinvested.

The Bloomberg Euro Aggregate Treasury 1-3 Year Index, closing price, is comprised of public bonds from eurozone countries, denominated in euros at a fixed rate and rated "Investment Grade", the average maturity of which is between 1 and 3 years. This index lists government bonds from 17 eurozone countries and it is calculated with coupons reinvested.

The Fund does not seek to replicate its benchmark index, but to generate a small outperformance. As such, the performance of the benchmark index may differ from that of the Fund. However, the market risk of the Fund is similar to that of the benchmark.

#### **Investment strategy**

##### Description of the strategies used

- The Fund's investment strategy is based on four focus areas:
  - Active management of the portfolio's overall sensitivity: market expectations of changes in rates are central to the Fund's directional strategy.
  - An allocation across the various countries of the eurozone: the Fund's manager aims to select Member States of the eurozone that will deliver the best performance, for fundamental or technical reasons such as flows.
  - A curve positioning strategy for each of the States, taking account of expected monetary policy, auction schedules and other flow types.
  - Portfolio diversification through derivatives, inflation-indexed bonds, national and supranational agencies or covered bonds.
    - Derivative-based strategies enable the Fund's overall exposure to rates to be managed and its curve positioning to be optimised.
    - Inflation-indexed bond allocations capitalise on any expected increases in inflation.

- Diversification into national and supranational agencies and covered bonds will be included in the portfolio when it is expected that these will outperform government bonds or where particular instances of curve or country arbitrage warrant it.

The UCITS does not have a sustainability objective, but remains exposed to sustainability risks. These sustainability risks are taken into account in investment decision-making and risk monitoring.

In accordance with the Groupama Asset Management policies, available on the Company's website ([www.groupama-am.com](http://www.groupama-am.com)), the investment universe will exclude companies whose business is involved in coal mining and coal-related energy production, as well as companies known to be involved in activities related to controversial weapons (cluster bombs and anti-personnel mines). Moreover, Groupama AM tracks a list of securities considered to carry significant environmental, social and governance risks ("Major ESG risks" list). Any investment made in a security from this list must be documented by the fund manager.

The underlying Fund investments do not take into account the European Union's criteria for environmentally sustainable economic activities.

- Management style:

The Fund adopts an active management style aimed at outperforming its benchmark.

- Sensitivity range for the Fund and geographical area of issuers:

Interest rate sensitivity range within which the Fund is managed	Geographical area of issuers of securities or the underlying securitisation products	Exposure range to securities for this area*
0 to 6	Any issuer whose issues are denominated in euros	[80% - 110%]
	Any issuer whose issues are denominated in currencies other than the euro	[0% - 10%]

\* excluding exposure via derivatives

#### Assets, excluding embedded derivatives

- Debt securities and money market instruments:

- Legal types of instruments used:

The Fund's assets are composed of fixed-rate bonds, EMTNs (Euro Medium Term Notes), negotiable debt securities, variable-rate bonds and inflation-indexed bonds, subject to a limit of 110% of the net assets.

- Breakdown of private/public debt:

Securities will be selected from sovereign issuers in the OECD, the public sector and similar. Also included may be private-sector corporate securities rated "investment grade" at the time of purchase (or securities deemed equivalent by the Management Company).

The selection of issuers included in the portfolio by the manager is based on their own analysis, which may be based on the expertise of the internal credit analysis team, in order to optimise the risk of issuers in the portfolio and on credit ratings issued by external entities.

Should an issue be downgraded, the Management Company will carry out its own analysis of the credit risk associated with the selected instruments and may decide to retain the securities in question or sell them under the best possible conditions and in the best interests of investors.

- Duration:

The duration of the selected securities ensures that the Fund's overall sensitivity is maintained between 0 and 6.

- Holding of units or shares of other foreign UCITS, AIFs or investment funds:

The Fund may hold up to 10% of its net assets in units or shares of

- French or European UCITS,
- French AIFs.

The UCIs may be those managed directly or indirectly by Groupama Asset Management.

External UCIs will be subjected to a close review of their management procedures, performance, risk and any other qualitative or quantitative criteria that allow the short, medium or long-term quality of management to be assessed.

Trackers (listed index entities) may be used.

#### Derivative instruments and securities with embedded derivatives

The use of derivatives is authorised with a maximum commitment of 100% of the net assets of the Fund and therefore has an impact on both the performance and investment risk of the portfolio.

The Fund may also invest up to 100% of its net assets in securities with embedded derivatives. The strategy for the use of securities with embedded derivatives is the same as that described for derivatives.

These instruments will allow for:

- the Fund's overall exposure to interest rate risks to be increased or decreased;
- arbitrage strategies to be put in place; and,
- the portfolio's exchange rate risk to be fully or partially hedged.

In this respect, they increase management flexibility. Derivatives are therefore used to maximise performance.

The manager may trade in the derivatives and securities with embedded derivatives detailed in the table below:

Risks in which the manager intends to trade		Types of markets targeted			Types of trades			
		Regulated	Organised	Over the counter	Hedging	Exposure	Arbitrage	Other
Equities								
Interest rates	X							
Foreign exchange	X							
Credit								
<b>Derivatives used</b>								
<b>Futures</b>								
- Equities								
- Interest rates		X	X		X	X	X	
- Currencies		X	X		X			
<b>Options</b>								
- Equities								
- Interest rates		X	X	X	X	X	X	
- Foreign exchange				X	X			
<b>Swaps</b>								
- Equities								
- Interest rates				X	X	X	X	
- Inflation				X	X	X	X	
- Foreign exchange				X	X			
- Total return swaps								
<b>Forward currency contracts</b>								
- Forward currency contracts				X	X			
<b>Credit derivatives</b>								
- Single entity credit default swaps and basket default swap(s)								
- Indices								
- Index options								
- Structuring for basket credit derivatives (CDO tranches, iTraxx tranches, FTD, NTD, etc.)								
<b>Other</b>								
- Equity								
<b>Securities with embedded derivatives used</b>								
<b>Warrants</b>								
- Equities								
- Interest rates								
- Foreign exchange								
- Credit								
<b>Subscription warrants</b>								
- Equities								
- Interest rates								
<b>Other</b>								
- EMTNs (structured)				X	X	X		
- Convertible bonds		X	X			X		
- Contingent convertible bonds (CoCo bonds)								
- Callable or puttable bonds		X	X			X		
- Credit-linked notes (CLN)								

- Counterparty selection criteria

Counterparties on over-the-counter instruments (over-the-counter derivatives and effective management techniques) are selected through a specific procedure in force within the Management Company; the main selection procedures relate to their financial solidity, their expertise on the types of transactions envisaged, general contractual clauses and specific clauses relating to techniques for mitigating counterparty risk.



#### Deposits:

Up to 100% of the Fund's net assets may be in the form of deposits at a credit establishment based in a Member State of the European Union or European Economic Area, with a term of less than 12 months, as a store of cash to be used as needed.

#### Cash borrowings:

On an exceptional and temporary basis, the manager may borrow cash up to the value of 10% of the net assets of the Fund from the custodian.

#### Temporary purchases and sales of securities:

- Types of transactions:
  - Repurchase or reverse repurchase agreements in compliance with the French Monetary and Financial Code
  - Loans and borrowings of securities in compliance with the French Monetary and Financial Code
  
- Types of trades:

They shall mainly aim to allow:

  - The adjustment of the breakdown of sensitivity on the curve
  - Arbitrages of curves
  - The investment of liquidities.

These transactions shall be conducted in strict adherence to the 0-to-6 sensitivity range.
  
- Types of assets that may be subject to such transactions:
  - Negotiable debt securities
  - Bonds.
  
- Level of use envisaged and authorised:
  - Temporary purchases of securities:
    - Maximum use: 100% of net assets
    - Expected use: approximately 10% of net assets.
  - Temporary sales of securities:
    - Maximum use: 70% of net assets
    - Expected use: approximately 10% of net assets.
  
- Criteria determining counterparty selection:

These transactions will be concluded with credit institutions with a minimum rating of "Investment Grade" or deemed equivalent by the Management Company, and whose registered office is located in a member country of the OECD.

For further information on the conditions of remuneration from temporary sales and purchases of securities, please refer to the "Fees and charges" section.

Given that the Fund uses derivatives and securities with embedded derivatives and may borrow cash, and undertakes transactions involving temporary purchases and sales of securities, the portfolio's total level of exposure shall not exceed 200% of the net assets.

## Information relating to the Fund's financial guarantees:

The GROUPAMA ETAT EURO CT UCITS complies with the investment rules for financial collateral that are applicable to UCITS and does not apply specific criteria in addition to these rules.

It may receive securities (such as corporate bonds and/or government bonds) or cash in the context of temporary purchases and sales of securities and derivatives transactions traded over the counter.

Only the cash collateral received will be reused, via reinvestment in accordance with the rules applicable to UCITS.

These assets received as collateral will be retained by the custodian of the UCITS on specific accounts. Management of margin calls will be undertaken on a daily basis.

All of these assets have to be issued by high-quality, liquid, diversified issuers with low volatility that are not an entity of the counterparty or its group.

The discounts applied to collateral received take into account the quality of credit, the price volatility of the securities and the result of stress tests carried out in accordance with the regulatory provisions.

The level of financial guarantees and the discount policy are determined in accordance with the regulations in force.

### **Risk profile:**

#### Risk of capital loss:

Investors will be exposed to the risk of losing their invested capital, since the Fund does not offer a capital guarantee.

#### Credit risk:

This is the potential risk that the credit rating of an issuer of securities invested in the portfolio may fall, or that such an issuer may default, which would have an adverse effect on the price of the security and lead to a decline in the Fund's net asset value.

Credit risk also exists in connection with temporary purchases and sales of securities if, at the same time, the counterparty for these transactions defaults and the issuer of the collateral received declares a default on the debt securities received as collateral.

Credit risk exists, but is minimised by the soundness of our process for managing short-term investments.

Any new issuer is analysed by our financial and credit analysts and then approved by a committee which determines the list of approved issuers.

#### Interest rate risk:

Investors are exposed to interest rate risk. Investors in bonds or other fixed-income securities may experience negative performance due to interest rate fluctuations. Generally, the prices of fixed-income securities held in the portfolio rise when interest rates fall and fall when interest rates rise.

#### Use of derivatives:

The use of derivatives may increase or decrease the volatility of the Fund by respectively increasing or decreasing its exposure. In the event of adverse market developments, the net asset value may fall.

#### Counterparty risk:

There is a counterparty risk relating to the temporary purchase and sale of securities. It consists of assessing the risks for an entity in terms of the commitments with respect to the counterparty with which the agreement has been concluded. This refers, therefore, to the default risk of a counterparty, causing it to default on payment. This risk is, however, limited by the provision of collateral.

#### Risks associated with securities financing transactions and the management of collateral:

The use of temporary purchases and sales of securities may increase or reduce the Fund's net asset value.

The risks associated with these transactions and with the management of collateral are credit risk, counterparty risk and liquidity risk as defined above.

Furthermore, the operational or legal risks are very limited due to an appropriate operating process, the custody of collateral received by the custodian of the Fund and the supervision of this type of operation through framework agreements concluded with each counterparty.

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

#### Liquidity risk associated with securities financing transactions:

In the event that a counterparty defaults on a securities financing transaction, this risk will apply to collateral by way of the sale of securities received.

#### Exchange rate risk:

It is the risk associated with holding securities denominated in a currency other than the euro. Consequently, in the event of a drop in the value of a currency, the net asset value of the Fund may also fall sharply.

#### Sustainability risks:

Sustainability risks, comprising those on the Major ESG (Environmental, Social and Governance) Risks list, and the coal policy are taken into account during decision-making as follows:

- Coal policy: the purpose of this policy is to reduce the exposure of the Fund to climate risks, whether these be physical risks or transitional risks. In order to limit these risks, an excluded stocks list has been defined according to the criteria stipulated in Groupama AM's general policy, which is available at [www.groupama-am.com](http://www.groupama-am.com). These stocks are excluded.
- Major ESG Risks list: this list comprises companies whose ESG risks could call into question their economic and financial viability, or could have a significant impact on the company's value and brand, thus resulting in a significant fall in market value or a significant downgrade by rating agencies. Investments in such stocks trigger an alert requiring that the suitability of the decision be justified.

There may be several impacts resulting from the emergence of a sustainability risk and they may vary depending on the specific risk, region and asset class. In general, when a sustainability risk occurs for an asset, it will have a negative impact on the asset or a total loss in its value.

#### **Management policy for liquidity risk:**

Management of the UCI's liquidity risk is undertaken as part of an analysis and monitoring procedure that relies on internal tools and methodologies in place within Groupama Asset Management.

This procedure has two main components:

- monitoring the portfolio's liquidity profile based on an asset liquidity assessment in view of current market conditions; and
- monitoring the Fund's ability, whether in current or worsening market conditions, to deal with significant redemption scenarios.

#### **Guarantee or protection:**

None.

**Eligible subscribers and typical investor profile:**

G unit	Reserved for companies, subsidiaries and regional mutuals of Groupama Assurances Mutuelles
IC unit	Reserved for institutional investors
ID unit	Reserved for institutional investors
M unit	Reserved for institutional investors except UCIs or mandates managed by Groupama Asset Management or its subsidiaries
N unit	Open to all subscribers
O unit	Reserved for UCIs and mandates managed by Groupama Asset Management or its subsidiaries, and belonging to the Opale range
R unit	Reserved for investors subscribing via distributors or intermediaries providing advisory services as defined by the MiFID II European regulations, or individual portfolio management services under mandate when they are exclusively remunerated by their clients

The GROUPAMA ETAT EURO CT mutual fund is aimed at investors seeking an actively managed portfolio of short/medium term bonds issued principally by sovereign or public-sector or similar entities in the OECD and securities issued by private-sector companies.

The recommended investment horizon is more than one year.

Proportion suitable for investment in the Fund: all bond investments are subject to interest rate fluctuations, and private-sector corporate issuers carry a risk of default. The amount that might reasonably be invested in the GROUPAMA ETAT EURO CT mutual fund should be determined with reference to the investor's personal situation. To determine this, investors should take into consideration their personal wealth, their current needs and over the next year, and the level of risk they are willing to accept.

Investors are also advised to diversify their investments sufficiently to avoid being exposed exclusively to the risks of this Fund.

Investment diversification: this should be achieved by investing in different classes of assets (money market instruments, bonds and equities), and in different sectors and geographical regions so as to spread the risks more effectively and optimise portfolio management by taking market trends into account.

**Distributable income calculation and appropriation methods:**

G unit	Accumulation and/or distribution. Option to pay interim dividends. Option to carry forward earnings in full or in part.
IC unit	Accumulation.
ID unit	Distribution. Interim dividend payments are authorised. Option to carry forward earnings in full or in part.
M unit	Accumulation.
N unit	Accumulation.
O unit	Accumulation.
R unit	Accumulation.

**Characteristics of units:**

	Initial net asset value	Currency of expression	Fractioning
G unit	€10,000	Euro	Thousandths of a unit
IC unit	€1,524.49	Euro	Ten-thousandths of a unit
ID unit	€1,524.49	Euro	Ten-thousandths of a unit
M unit	€100 (NAV split by 100 on 26 February 2009)	Euro	Thousandths of a unit
N unit	€500	Euro	Thousandths of a unit
O unit	€10,000	Euro	Thousandths of a unit
R unit	€500	Euro	Thousandths of a unit

**Subscription and redemption procedures:**

	Minimum initial subscription amount	Subscriptions	Redemptions (1)
G unit	€300,000	In amounts or thousandths of a unit	In amounts or thousandths of a unit
IC unit	One thousandth of a unit	In amounts or in ten-thousandths of a unit	In amounts or in ten-thousandths of a unit
ID unit	One thousandth of a unit	In amounts or in ten-thousandths of a unit	In amounts or in ten-thousandths of a unit
M unit	One thousandth of a unit	In amounts or in thousandths of a unit	In amounts or in thousandths of a unit
N unit	One unit	In amounts or in thousandths of a unit	In amounts or in thousandths of a unit
O unit	One thousandth of a unit	One thousandth of a unit	In amounts or in thousandths of a unit
R unit	One thousandth of a unit	In amounts or in thousandths of a unit	In amounts or in thousandths of a unit

(1) Total redemption of units will only be possible as a quantity and not as an amount.

Orders are executed in accordance with the table below:

D	D	D: NAV calculation date	D+1 business day	D+3 business days	D+3 business days
Clearing of subscription orders before 11 a.m. (2)	Clearing of redemption orders before 11 a.m. (2)	Execution of the order no later than D	Publication of the net asset value	Settlement of subscriptions	Settlement of redemptions

(2) Unless you have agreed a specific deadline with your financial institution.

Subscription and redemption requests are cleared by CACEIS Bank and may be received every bank business day up to 11:00 am:

- at CACEIS Bank, for those clients for whom it provides custody-account keeping services, for bearer or administered registered units,
- and at Groupama Asset Management for directly registered units.

They are executed on an unknown net asset value basis with settlement on D+3 Euronext Paris

Investors are reminded that when sending instructions to marketing agents other than the organisations indicated above, they must take into account that the cut-off time for clearing imposed by CACEIS Bank applies to these marketing agents. Consequently, these marketing agents may stipulate an earlier cut-off time of their own, which may precede the time mentioned above, so that instructions can be sent to CACEIS Bank on time.

The Fund's net asset value is calculated on every trading day except for official French public holidays. The reference calendar is that of the Paris Stock Exchange.

The net asset value may be obtained from: [www.groupama-am.com](http://www.groupama-am.com).

## Fees and charges:

### Subscription and redemption fees:

Subscription fees increase the subscription price paid by the investor, while redemption fees decrease the redemption price. The fees accruing to the Fund compensate it for the costs it has to pay to invest or divest the holdings of the Fund. The remaining fees accrue to the Management Company, distributor, etc.

Unit class	Base	Subscription fee not accruing to the Fund	Subscription fee accruing to the Fund	Redemption fee not accruing to the Fund	Redemption fee accruing to the Fund
G unit	Net asset value x Number of units or shares	Maximum rate: 4% incl. tax(*)	None	None	None
IC unit	Net asset value x Number of units or shares	Maximum rate: 2.75% incl. tax	None	None	None
ID unit	Net asset value x Number of units or shares	Maximum rate: 2.75% incl. tax	None	None	None
M unit	Net asset value x Number of units or shares	Maximum rate: 4% incl. tax	None	None	None
N unit	Net asset value x Number of units or shares	Maximum rate: 2.75% incl. tax	None	None	None
O unit	Net asset value x Number of units or shares	Maximum rate: 4% incl. tax	None	None	None
R unit	Net asset value x Number of units or shares	Maximum rate: 4% incl. tax	None	None	None

### Operating and management fees:

These fees include all those charged directly to the Fund, except for transaction fees. Transaction fees include intermediary fees (e.g. brokerage fees, stock market taxes, etc.) and the transaction fee, if any, that may be charged, notably by the custodian and the Management Company.

The following fees may be charged in addition to the operating and management fees:

- Performance fees. These reward the Management Company if the Fund's performance exceeds its objectives. They are therefore charged to the Fund;
- Transaction fees charged to the Fund;

For more information regarding the ongoing charges invoiced to the Fund, please refer to the “Charges” section of the Key Investor Information Document (KIID).

**IC, ID and M units:**

<b>Fees charged to the Fund</b>	<b>Base</b>	<b>Rate</b>
Financial management fees and administrative fees external to the Management Company (statutory auditor, custodian, distribution and lawyers)	Net assets Deducted from UCI units or shares	Maximum rate 1% (taxes included)
Maximum indirect fees: (Management fees and charges)	Net assets	Not significant*
Transaction fee accruing to the custodian	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150** incl. tax **Depending on complexity
Transaction fee accruing to the Management Company	Deducted from each transaction	By type of instrument***
Performance fee	Net assets	None

\* The UCITS held in the portfolio are below 20%.

\*\*\* Please refer to the “Transaction fees accruing to the Management Company” fee scale below

**N unit:**

<b>Fees charged to the Fund</b>	<b>Base</b>	<b>Rate</b>
Financial management fees and administrative fees external to the Management Company (statutory auditor, custodian, distribution and lawyers)	Net assets Deducted from UCI units or shares	Maximum rate 1.20% (taxes included)*
Maximum indirect fees: (Management fees and charges)	Net assets	Not significant**:
Transaction fee accruing to the custodian	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150*** incl. tax ***Depending on complexity
Transaction fee accruing to the Management Company	Deducted from each transaction	By type of instrument****
Performance fee	Net assets	None

\* Of which 1% is the financial management fee.

\*\* The UCITS held in the portfolio are below 20%.

\*\*\*\* Please refer to the "Transaction fees accruing to the Management Company" fee scale below

**O unit:**

<b>Fees charged to the Fund</b>	<b>Base</b>	<b>Rate</b>
Financial management fees and administrative fees external to the Management Company (statutory auditor, custodian, distribution and lawyers)	Net assets	Maximum rate 0.10% (taxes included)
Maximum indirect fees: (Management fees and charges)	Net assets	Not significant*
Transaction fee accruing to the custodian	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150** incl. tax **Depending on complexity
Transaction fee accruing to the Management Company	Deducted from each transaction	By type of instrument***
Performance fee	Net assets	None

\* The UCITS held in the portfolio are below 20%.

\*\*\* Please refer to the "Transaction fees accruing to the Management Company" fee scale below



**R unit:**

<b>Fees charged to the Fund</b>	<b>Base</b>	<b>Rate/ scale</b>
Financial management fees and administrative fees external to the Management Company (statutory auditor, custodian, distribution and lawyers)	Net assets deducted from UCI units or shares	Maximum rate 1.10% incl. tax
Maximum indirect fees (management fees and charges)	Net assets	Not significant*
Transaction fee accruing to the custodian	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150** incl. tax **Depending on complexity
Transaction fee accruing to the Management Company	Deducted from each transaction	By type of instrument***
Performance fee	Net assets	None

\* The UCIs held in the portfolio account for less than 20%

\*\*\* Please refer to the "Transaction fees accruing to the Management Company" fee scale below

**G unit:**

<b>Fees charged to the Fund</b>	<b>Base</b>	<b>Rate/ scale</b>
Financial management fees and administrative fees external to the Management Company (statutory auditor, custodian, distribution and lawyers)	Net assets	Maximum rate: 0.90% incl. tax
Maximum indirect fees (management fees and charges)	Net assets	Not significant*
Transaction fee accruing to the custodian	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150** incl. tax **Depending on complexity
Transaction fee accruing to the Management Company	Deducted from each transaction	By type of instrument***
Performance fee	Net assets	None

\* The UCIs held in the portfolio account for less than 20%

\*\*\* Please refer to the "Transaction fees accruing to the Management Company" fee scale below

- Transaction fees accruing to the Management Company

Transaction fee accruing to the Management Company By type of instrument	Base	Maximum rate and/or scale
Equities and equivalent	Deducted from each transaction	0.10% incl. tax
Convertible bonds	Deducted from each transaction	0.05% incl. tax
Corporate bonds	Deducted from each transaction	0.05% incl. tax
Government bonds	Deducted from each transaction	0.03% incl. tax
Exchange rate, including over the counter (OTC)	Deducted from each transaction	0.005% incl. tax
Interest rate swaps (IRS)	Deducted from each transaction	0.02% incl. tax
Credit default swaps (CDS) and asset-backed securities (ABS)	Deducted from each transaction	0.03% incl. tax
Listed derivatives (per lot)	Deducted from each transaction	€2

Any exceptional legal costs related to recovery of the Fund's receivables may be added to the fees detailed above.

The contribution to the AMF will also be borne by the Fund.

All income from transactions involving the temporary purchase and sale of securities accrues to the Fund. The expenses, costs and fees arising from these transactions are invoiced by the custodian and paid by the Fund.

#### Selection of intermediaries:

Managers have a list of authorised brokers. A Broker Committee meets every six months to assess managers' evaluations of brokers and the entire value-adding chain-covering analysts, middle office etc., and to justify the inclusion of new brokers and/or exclusion of others.

Based on their expertise, each manager reports in terms of the following criteria:

- ▶ Quality of price execution
- ▶ Liquidity offered
- ▶ Broker's longevity
- ▶ Quality of operations, etc.

## 4 COMMERCIAL INFORMATION

All information relating to the GROUPAMA ETAT EURO CT mutual fund may be obtained by writing to:

Groupama Asset Management  
25, rue de la Ville l'Evêque - 75008 Paris - France  
or by visiting the website: <http://www.groupama-am.com>

The net asset value of the Fund is available on the website: [www.groupama-am.com](http://www.groupama-am.com)

The latest annual and interim documents are available to unitholders by writing to:  
Groupama Asset Management  
25, rue de la Ville l'Evêque - 75008 Paris - France

Subscription and redemption requests are cleared by CACEIS Bank at the following address:  
CACEIS Bank  
1-3 Place Valhubert - 75206 Paris Cedex 13 - France

Information on environmental, social and governance quality criteria (ESG):

Additional information on the Management Company's procedures for taking ESG criteria into account will be available in the Fund's annual report and on the Management Company's website: Groupama Asset Management ([www.groupama-am.com](http://www.groupama-am.com)).

## **5 INVESTMENT RULES**

The Fund complies with the regulatory ratios applicable to UCITS, as defined by the French Monetary and Financial Code.

## **6 TOTAL RISK**

The total risk of this Fund is determined using the commitment approach.

## **7 ASSET VALUATION AND ACCOUNTING RULES**

The Fund complies with the accounting rules prescribed by current regulations, in particular those applying to UCITS.

The base accounting currency is the euro.

### **7.1 Valuation methods**

#### **Transferable securities traded on a French or foreign regulated market, including ETFs:**

Securities traded in the eurozone: Last price on valuation day.

For fixed-income products, the Management Company reserves the right to use consensus prices when these are more representative of the market value.

Foreign securities denominated in currencies other than the euro are converted into euros at the exchange rate in Paris on the valuation day.

Transferable securities whose price has not been calculated on valuation day are valued at the last officially published price. Securities whose prices have been adjusted are valued at their probable market value under the sole responsibility of the UCI's manager or the Management Company.

#### **UCI shares and securities:**

Units or shares of UCIs are valued at their last known net asset value.

#### **Negotiable debt securities:**

Negotiable debt securities (short-term and medium-term, bonds issued by financial companies, and bonds issued by specialist financial institutions) are valued according to the following rules:

- ▶ On the basis of the actual market traded price;
- ▶ In the absence of a significant market price, by applying an actuarial method, the reference rate being that of equivalent issues of securities plus, where applicable, a differential reflecting the intrinsic characteristics of the issuer.

#### **Over-the-counter transactions:**

Transactions concluded on an over-the-counter market, authorised by the regulations applicable to UCIs, are valued at their market value.

#### **Futures and options contracts:**

- Futures contracts on derivatives markets are valued at the same day settlement price.
- Options on derivatives markets are valued at the same day closing price.

#### **Temporary purchases and sales of securities:**

- Temporary purchases of securities:  
Securities received under repurchase agreements or borrowed securities are entered in the long portfolio under "Receivables representing securities received under repurchase agreements or borrowed securities" at the amount provided for in the contract, plus interest receivable.
- Temporary sales of securities:  
Securities sold under repurchase agreements or loaned securities are entered in the portfolio and valued at their current value.  
The debt representing the securities transferred under repurchase agreements, such as in the case of loaned securities, is entered in the short portfolio at the value set in the contract plus accrued interest. On settlement, the interest received or paid is recognised as income from receivables.
- Financial collateral and margin calls:  
Collateral received is valued at the market price (mark-to-market).  
Daily fluctuation margins are calculated using the difference between the valuation at market price of collateral provided and the valuation at market price of collateralised instruments.

Generally, financial instruments for which the price has not been recorded on the valuation day or for which the price has been corrected are valued at their likely trading price as determined by the SICAV's board of directors or management board or, for mutual funds, by the Management Company. Such valuations and their supporting documentation are communicated to the statutory auditor during audits.

#### **Valuation methods for off-balance-sheet commitments:**

- Futures contracts are valued at nominal value x quantity x settlement price x (currency).
- Options contracts are valued at their underlying equivalent.
- Swaps
  - ▶ Asset-backed or non-asset-backed swaps  
Commitment = nominal value + valuation of the fixed-rate leg (if fixed/variable) or the variable-rate leg (if variable/fixed) at market value.
  - ▶ Other swaps  
Commitment = nominal value + market value (if the Fund has adopted a synthetic valuation method).

## **7.2 Method used to recognise income from fixed-income securities**

Coupons received method.

### **7.3 Method used to recognise expenses**

Transactions are accounted for excluding fees and expenses.

## **8 REMUNERATION**

Details of the updated remuneration policy are available on the Groupama Asset Management website: [www.groupama-am.com](http://www.groupama-am.com).

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