

# *Disruption* | Fund

UCITS governed by European Directive 2009/65/EC

Updated September 1, 2021

**PROSPECTUS**

**DISRUPTION FUND**

UCITS governed by European Directive 2009/65/EC

**I. GENERAL CHARACTERISTICS**

1. **Form of the UCITS**  
French mutual fund (Fonds Commun de Placement – “FCP”) established in France
2. **Name:** Disruption Fund
3. **Legal form and member state in which the UCITS was established:** French mutual fund (Fonds Commun de Placement – “FCP”) established in France
4. **Date of creation and expected duration:** this Fund was created on July 10, 2015 for a period of 99 years
5. **Investment offer overview:**

Units	A	A'	B	C
<b>Initial unit value</b>	EUR 1	EUR 1	EUR 1	EUR 1
<b>Sub-fund</b>	NO	NO	NO	NO
<b>ISIN</b>	FR0012770154	FR0013400868	FR0012770162	FR0014000U71
<b>Allocation of distributable amounts</b>	Allocation of net income: Accumulation and/or Income Allocation of net realized capital gains: Accumulation and/or Income	Allocation of net income: Accumulation and/or Income Allocation of net realized capital gains: Accumulation and/or Income	Allocation of net income: Accumulation and/or Income Allocation of net realized capital gains: Accumulation and/or Income	Allocation of net income: Accumulation and/or Income Allocation of net realized capital gains: Accumulation and/or Income
<b>Base currency</b>	Euro	Euro	Euro	Euro
<b>Target investors</b>	All subscribers, and more particularly Authorized Subscribers of the Bièvre Epargne* SICAV or the successor fund to the Bièvre Epargne SICAV.	Restricted to members of the Management Company and its Affiliates.**	All investors	All investors
<b>Minimum initial investment</b>	EUR 1.000.000	EUR 1.000	EUR 100.000	EUR 1.000.000

There is no minimum amount for subsequent investments

\* The A units are aimed more specifically at Authorized Subscribers of the Bièvre Epargne SICAV.

\*\* The A' units are intended for Quadrille Capital and its Affiliates (employees, shareholders and corporate officers, as well as the investment vehicles (or investors) managed by Quadrille Capital.



The A units are “founder’s units” which will be closed to investment for all new investors who invest for the first time after the cutoff date of December 31, 2015.

The C units are “founder’s units” which will be closed to investment for all new investors who invest for the first time after the cutoff date of January 31, 2021.

Investments by entities that belong to the same group may be combined.

There is no minimum amount for subsequent investments in the A, A', B and C units.

The Fund is also intended to serve as an investment vehicle for unit-linked life insurance policies offered by insurance companies.

**5. Address from which the latest annual and interim reports can be obtained:** unitholders will be sent the most recent annual and interim reports within one week of submitting a written request to:

Quadrille Capital  
16 place de la Madeleine  
75008 Paris  
Tel.: 01 79 74 23 40

If necessary, additional information may be obtained from:

Mr. David Shu  
Tel.: 01 79 74 23 40  
Email: dshu@quadrillecapital.com

## II. DIRECTORY

### • **MANAGEMENT COMPANY**

**QUADRILLE CAPITAL** (the “**Management Company**”), a simplified corporation (société par actions simplifiée) with capital of EUR 400,000  
16 place de la Madeleine, 75008 Paris  
An asset management company authorized by the Autorité des Marchés Financiers (“**AMF**”) under number GP-07000013 on April 24, 2007.

### • **DEPOSITARY AND CUSTODIAN**

**SOCIETE GENERALE**, a corporation (société anonyme)  
A credit institution created on May 8, 1864 by an authorization decree signed by Napoleon III  
Registered office: 29 boulevard Haussmann, 75009 Paris  
Mailing address of the depositary function: 75886 Paris Cedex 18

The Fund’s Depositary is Société Générale S.A., acting through its Securities Services department (the “Depositary”). Société Générale, registered office 29, boulevard Haussmann, Paris (75009), registered in the Paris Trade and Companies Register under number 552 120 222, is an institution authorized by the French Prudential Control and Resolution Authority (*Autorité de contrôle prudentiel et de résolution* - ACPR) and supervised by the French Financial Markets Authority (*Autorité des marchés financiers* - AMF).

Description of the Depositary’s responsibilities and potential conflicts of interest The Depositary has three types of responsibilities, namely verifying the legality of the management company’s decisions, monitoring the Fund’s cash flows and safekeeping of the Fund’s assets. The Depositary’s primary objective is to protect the interests of the Fund’s unitholders/investors. Potential conflicts of interest may arise, in particular if the Management Company has commercial relations with Société Générale alongside its appointment as Depositary (which may be the case where Société Générale, under delegation from the Management Company, calculates the net asset value of funds for which Société



Générale is the Depositary or where the Management Company and the Depositary are members of the same group). In order to manage these situations, the Depositary has put in place and keeps up to date a conflict of interest management policy that aims to: - Identify and analyze potential conflicts of interest - Record, manage and monitor conflicts of interest via: (i) permanent measures in place to manage conflicts of interest such as segregation of duties, separation of reporting lines and functions, monitoring of internal insider lists and dedicated IT environments; (ii) implementation on a case-by-case basis via: (a) appropriate preventive measures such as creating ad hoc monitoring lists or new Chinese walls, checking that transactions are handled appropriately and/or informing the clients concerned or (b) refusing to manage activities that may give rise to conflicts of interest.

Description of any safekeeping functions delegated by the Depositary, list of delegates and sub-delegates, and identification of conflicts of interest that may arise as a result of such delegation The Depositary is responsible for the safekeeping of assets (as defined in Article 22(5) of Directive 2009/65/EC as amended by Directive 2014/91/EU). In order to provide asset custody services in a large number of countries and to enable funds to achieve their investment objectives, the Depositary has appointed sub-custodians in countries where it does not have a direct local presence. These entities are listed on the following website: [www.securities-services.societegenerale.com/fr/nous-connaître/chiffres-cles/rapports-financiers/](http://www.securities-services.societegenerale.com/fr/nous-connaître/chiffres-cles/rapports-financiers/). In accordance with Article 22a(2) of the UCITS V Directive, the process for appointing and supervising sub-custodians follows the highest quality standards, including the management of potential conflicts of interest that could arise when such appointments are made. The Depositary has established an effective policy for identifying, preventing and managing conflicts of interest in accordance with national and international regulations and international standards. The delegation of the Depositary's safekeeping functions may give rise to conflicts of interest. These have been identified and are monitored. The policy implemented at the Depositary consists in a system that prevents conflicts of interest from occurring and in performing its activities in a way that ensures that the Depositary always acts in the best interests of the funds. Preventive measures include, in particular, ensuring the confidentiality of the information exchanged, physically segregating the main activities likely to cause a conflict of interest, identifying and classifying compensation and monetary and non-monetary benefits and putting systems and policies in place in relation to gifts and events. Up-to-date information relating to the above points will be sent to the investor on request.

- **STATUTORY AUDITOR**

**KPMG**, Nicolas Duval Arnould  
Tour Egho, 2 Avenue Gambetta, 92066 Paris La Défense Cedex

- **DISTRIBUTOR:**

**QUADRILLE CAPITAL**

- **CENTRALIZING AGENT APPOINTED BY THE MANAGEMENT COMPANY**

**SOCIETE GENERALE**, a corporation  
A credit institution created on May 8, 1864 by an authorization decree signed by Napoleon III  
Registered office: 29 boulevard Haussmann, 75009 Paris  
Mailing address of the centralizing agent appointed: 32 rue du Champ de Tir, 44000 Nantes

- **ENTITY APPOINTED TO PROVIDE ADMINISTRATIVE AND ACCOUNTING MANAGEMENT**

**Société Générale**  
Registered office: 29 boulevard Haussmann, 75009 Paris  
Mailing address: 189 rue d'Aubervilliers, 75886 Paris Cedex 18

Accounting management mainly consists of the calculation of net asset values. Administrative management mainly consists of assisting the Management Company in the legal monitoring of the Fund.

**III. OPERATION AND MANAGEMENT**

**GENERAL CHARACTERISTICS**

**1. Characteristics of units**

**ISIN:**  
 A units: FR0012770154  
 A' units: FR0013400868  
 B units: FR0012770162  
 C units: FR0014000U71

**Management of liabilities:**

The units are entered in a register in the name of the institutions that hold investors' accounts on behalf of investors. The register is held by Euroclear France.

**Rights attached to the unit class:**

Each unitholder is a co-owner of the Fund's net assets in proportion to the number of units he holds.

**Voting rights:**

As the Fund is a common pool of transferable securities, no voting rights are attached to the units held. Decisions concerning the Fund are taken by the management company in the interests of the unitholders.

**Form of units:**

The units are bearer units.

**Fractions:**

The units may be divided into thousandths of a unit.

**2. Fiscal year-end date**

Last stock market trading day in December  
 The first fiscal year will end on: December 31, 2016.

**3. Tax treatment**

Distributions and any capital gains realized by the Fund are taxable. The tax treatment of sums the Fund distributes and of unrealized or realized capital gains or losses it generates will depend on the tax laws applicable to the investor's specific situation and/or the tax laws in force in the jurisdiction in which the Fund invests.

Investors are advised to pay particular attention to any factors specific to their situation. If they have any doubt about their tax situation, they should seek professional tax advice.

Under the terms of the US tax regulation known as FATCA (Foreign Account Tax Compliance Act), investors may be required to provide the Fund, the Management Company or their representatives with information, in particular on their personal identity and places of residence (domicile and tax residence), for the purposes of identifying "US Persons" within the meaning of FATCA. This information may be sent to the US tax authorities via the French tax authorities. Any breach of this obligation by investors could result in the imposition of a 30% withholding tax on financial movements from US sources. Notwithstanding the FATCA checks performed by the Management Company, investors are invited to ensure that the financial intermediary they used to invest in the Fund itself has Participating FFI status. For further information, investors may wish to consult a tax advisor.

## II.1 – SPECIAL PROVISIONS

### 1. **ISIN**

A units: FR0012770154  
A' units: FR0013400868  
B units: FR0012770162  
C units: FR0014000U71

### 2. **Fund of funds**: between 0% and 67% of net assets

### 3. **Investment objective**

The Disruption Fund seeks to generate capital gains in the international equity markets over the recommended investment period of five years. For the most part, the Fund will be directly or indirectly exposed to the equity markets by investing in equities, UCITS or ETFs, depending on market conditions.

In general, the Disruption Fund seeks to invest in technological innovation. More specifically, the fund manager identifies sectors experiencing technological and/or structural disruptions and invests in the companies that initiate and contribute to these disruptions. The fund manager looks for leading companies with rapid growth and visionary management.

### 4. **Benchmark**

In light of the investment policy, which focuses on technological innovation and equity assets, the Fund's benchmark is the **MSCI World Euro** index, net dividends reinvested.

The MSCI World Euro index is calculated and published by MSCI. It is available on Bloomberg and the ticker is: MSDEWIN. A description of the methodology applied by the index, its composition, revision rules and additional information on the components of the index are available at [msci.com](http://msci.com).

The administrator of these indices is Morgan Stanley Capital International (MSCI). The administrator of these benchmark indices is registered in the register of administrators and benchmarks kept by ESMA.

The performance fee is measured against the MSCI World Euro index. Performance is measured in euros.

### 5. **Investment strategy**

#### a) **Strategies used**

Given the Fund's management objective, the first stage of its investment strategy attempts to identify economic sectors and sub-sectors experiencing technological and/or structural disruptions.

In the second stage, the fund manager studies these disruptions and determines the value creation and viability of the opportunity in the sector.

Thirdly, in the sectors selected, the fund manager identifies the companies that operate therein and benefit from these disruptions and seeks to invest in the leaders.

This research draws on the Management Company's expertise, particularly in the industries in which it invests venture capital, such as information technology, life sciences, consumer goods and energy.

In-depth financial analysis is conducted of the accounting publications and public presentations of the companies selected and meetings are held with the companies' managers. This rigorous process ensures the quality of the investments.

In accordance with Article 6 of Regulation (EU) no. 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("SFDR"), the Management Company makes use of ESG analysis alongside conventional financial analysis to identify the sustainability risks of issuers in the investment universe. However, it does not claim to promote ESG characteristics (within the meaning of Article 8 SFDR) or to employ a sustainable investment objective (within the meaning of Article 9 SFDR).

#### Sustainability risk inclusion policy

Sustainability risk is incorporated into investment decisions by way of an ESG risk assessment procedure which forms part of the management company's due diligence.

#### Probable impact of sustainability risk

The fact that sustainability risks are taken into account means that they are limited. Nevertheless, the occurrence of a sustainability risk, especially in an unforeseen manner, could have a sudden and substantial adverse effect on the value of an investment and consequently an impact on the returns of a fund. This adverse impact could lead to a total loss in value of the investment(s) concerned and could have an equivalent adverse impact on the returns of a fund.

The Fund does not take account of the main adverse effects of its investments on sustainability factors affecting society and the environment in the broad sense.

Analysis of these criteria is at the discretion of the management team and may change over time.

This strategy is implemented through exposure, directly through listed shares and/or indirectly by holding units or shares in investment funds or through derivatives such as convertible bonds:

- to equities, up to 100% of its net assets;
- to fixed income products, up to 100% of its net assets, if the Management Company deems conditions on the equity markets to be unfavorable.

The Fund is exposed to currency risk up to 100% of its net assets, in particular fluctuations in the U.S. dollar.

This currency risk may be fully or partially hedged through forex forward or currency future transactions (regulated or over-the-counter markets).

These transactions are limited to a maximum of one times the Fund's assets.

#### b) Assets (excluding embedded derivatives)

##### **- Equities**

The Fund may invest up to 100% of its net assets in listed equities; it may invest up to 100% of its net assets on one or more markets in the OECD. It may also invest up to a maximum of 75% of its net assets in listed shares of companies registered in emerging countries (e.g., China, India, Russia and Latin American countries). There is no predetermined geographical distribution of investments.

The Fund may invest in securities of large-, medium- and small-cap companies in any sector.

##### **- Debt securities and money market instruments**

If market conditions do not allow it to invest serenely in the equity markets, the Fund reserves the right to make exceptional investments, up to 100% of its net assets, in debt securities such as fixed-rate and/or variable-rate and/or indexed bonds, as well as in negotiable debt securities.

The Fund may invest in money market instruments with a minimum rating at the time of purchase of A1 (Standard & Poor's) or P1 (Moody's), or a rating deemed equivalent by the Management Company.

When purchased, negotiable debt securities and bonds must have a minimum rating of Baa2 (Moody's) or BBB (Standard & Poor's), or a rating deemed equivalent by the Management Company. The analyses the Management Company carries out enable it to assess the credit quality of the assets in the portfolio; the fund manager may apply the issuer's rating if there is no external rating. In the event of a rating downgrade of an investment held, the fund manager will analyze each situation on a case-by-case and

determine whether or not to keep the relevant investment. The investment limits established based on the rating agencies' credit risk assessment may therefore differ slightly based on the management team's own analysis.

Private debt may represent up to 50% of net assets.

#### **- Units or shares in European UCITS and/or AIFs open to non-professional clients**

The Fund may invest up to 67% of its net assets in units or shares of European UCITS and/or AIFs open to non-professional clients of all types to enable it to achieve the Fund's investment objective.

#### c) Derivatives

The manager may invest in the following derivatives:

Types of investment markets:

- ◆ Regulated
- ◆ Organized
- ◆ Over-the-counter

Risks the manager seeks to mitigate/be exposed to:

- ◆ Equity
- ◇ Interest rate
- ◆ Currency
- ◇ Credit
- ◇ Other risks (please specify)

Types of actions (all transactions must be for the purpose of achieving the management objective):

- ◆ Hedging
- ◆ Exposure
- ◇ Arbitrage
- ◇ Other types

Types of instruments used:

- ◆ Futures: foreign exchange and equity index futures;
- ◆ Options: share options;
- ◇ Swaps: currency
- ◆ Forex forwards: purchases and sales of forex forwards
- ◇ Other types (please specify)

Strategy for the use of derivatives to achieve the management objective:

- ◇ Hedging interest rate risk
- ◇ Hedging credit risk
- ◆ Hedging equity risk
- ◆ Hedging currency risk
- ◇ Creating synthetic exposure to assets and risks: equities
- ◇ Other strategy

Options: the fund may invest up to 15% of its net assets in equity options. The main objective of doing so is to buy protection (through the purchase of put options) of existing positions and partial profit-taking (through hedged sales of call options). The fund may also buy speculative options (calls) to temporarily increase the fund's exposure to an individual stock or sector. Under no circumstances will the fund sell calls without holding the underlying stock (naked call writes).

Equity index futures: When managing weekly subscription and redemption cash flows, the fund may buy and/or sell equity index futures (Euro Stoxx 50, Euro Stoxx 600, CAC 40, Nasdaq, S&P 500, for instance). The fund may also decide to sell futures with a maturity of no more than one month on the aforementioned indices, with the aim of reducing net market exposure. The fund shall not increase its total exposure above 100% of its net assets.

These instruments are used to hedge the portfolio against currency risks up to 100% of the Fund's assets and, in the case of equity exposure, up to a maximum commitment of 100% of the Fund's net





assets. Certain leading players, chief among them Société Générale, are the preferred counterparties for OTC transactions.

d) Securities with embedded derivatives

To achieve its investment objective, the Fund may use securities with embedded derivatives, such as convertible bonds, up to 100% of the net assets, provided their underlying assets enable the Fund to achieve its investment objective.

e) Deposits

The Fund may make deposits of up to twelve months with one or more credit institutions.

f) Cash borrowings

In connection with its ordinary operations (subscriptions/redemptions), the Fund may temporarily experience a cash deficit and, in such case, may borrow cash. The cash deficit may not exceed 10% of the Fund's net assets.

g) Temporary purchases and sales of securities

The Fund does not make temporary securities purchases.

## 6. Risk profile

Your money will be invested primarily in financial instruments selected by the Management Company, if necessary on the basis of the Advisor's recommendations. These instruments are sensitive to market trends and fluctuations.

Investors are exposed to the following risks:

- **Risk of capital loss:** investors are advised that the Fund's performance, which is not guaranteed, may not meet its objectives and that the capital they invest (less subscription fees) may not be returned in full.
- **Equity risk:** the Fund may at all times be totally or partially sensitive to price fluctuations in the equity markets (up to 100% of the net assets). These types of markets may experience sharp upward or downward fluctuations. If these markets fall, the Fund's net asset value may drop.
- **Discretionary management risk:** the discretionary management style aims to anticipate changes in the various securities held in the portfolio. There is a risk that the Fund may not at all times be invested in the best performing securities.
- **Sector and technology risk:** The Fund invests primarily in securities in the technology, healthcare and innovation sectors and sectors generally experiencing technological disruption. Investment in innovation and technological disruption is riskier and more volatile than diversified equity markets. Investors in the Fund are exposed to the risk of disruption, obsolescence and sudden loss of revenue and capital.
- **Risk associated with investing in small and mid caps:** this equity risk is associated with investments in small- and mid-cap companies. In the small- and mid-cap markets, the volume of listed securities is relatively small. In the event of liquidity problems, these markets may fall more significantly and more rapidly than large-cap markets. If these markets fall, the Fund's net asset value may possibly fall more quickly or more sharply.
- **Risk associated with investing in securities issued in emerging countries:** the economies of emerging countries are more fragile and more exposed to the uncertainties of the international economy. Moreover, their financial systems are less mature. Equities listed on emerging markets may be less liquid or trading therein may cease temporarily, in particular due to a lack of market trades or regulatory restrictions. The risks of significant capital losses or that trading in certain financial instruments may be halted are not negligible.

- **Currency risk:** up to 100% of its net assets. If the Fund is exposed to currencies other than the euro and this exposures is not hedged against the euro, the Fund's net asset value may fall. The portfolio's concentration in equities of the technology, internet and biotechnology sectors exposes investors to significant currency risk, particularly fluctuations in the U.S. dollar.
- **Counterparty risk:** the risk that a party with whom a contract has been entered into will not honor its commitments. The Fund may enter into over-the-counter transactions with a counterparty who, if it became insolvent, could default on its commitments and cause a loss to the Fund.
- **Credit risk:** the risk that an issuer's rating may be downgraded. However, not all of the Fund's assets are invested in the securities of any single issuer.
- **Convertible bond risk:** there is a risk that the Fund's valuation may fluctuate due to its exposure to the convertible bond markets. These instruments are indirectly linked to the equities and fixed income markets (duration and credit) and, therefore, the Fund's net asset value may fall during periods when the equities and fixed income markets are falling.
- **Interest rate risk:** the fixed income markets move opposite to interest rates. The impact of a change in interest rates is measured by the Fund's sensitivity. For example, if sensitivity is equal to 5, a 1% increase in interest rates will translate into a 5% drop in the Fund's valuation.
- **Sustainability risk:** Sustainability risk is characterized by environmental, social or governance events or situations that, if they were to occur, could have a significant actual or potential adverse impact on the value of the investment.  
 Environmental factors: Environmental impact, which may include water use, pollution, waste management, energy efficiency, gas emissions and climate change.  
 Social factors: Human rights, health and safety, staff labor conditions, impact on the community, diversity, demographic change, consumption patterns and shareholder reputation.  
 Governance factors: Board independence and diversity, alignment between shareholders and management, compensation, shareholder rights, transparency and disclosure, business ethics or culture.
- **ESG data risk:** For direct stock selection, the fund manager's analysis is based on ESG-related information from third-party information providers that may prove to be incomplete, inaccurate or unavailable. There is therefore a risk that management may add or discard a portfolio stock on the basis of non-exhaustive, inappropriate or non-available inputs.

7. **Guarantee or protection:** not applicable.

8. **Target investors**

"The units of this UCITS are not and will not be registered in the United States under the U.S. Securities Act of 1933 as amended ("Securities Act of 1933") or admitted to trade under any law of the United States. These units may not be offered, sold or transferred in the United States (including its territories and possessions and any area subject to its judicial authority) or directly or indirectly benefit any U.S. person (within the meaning of Regulation S of the Securities Act of 1933) or an equivalent persons (as defined in the U.S. HIRE Act of March 18, 2010 and the FATCA provisions)."

The Fund's A units are available to all investors and are intended more specifically for Authorized Subscribers of the Bièvre Epargne SICAV. The minimum initial investment for A units is set at EUR 1,000,000. Investments by entities that belong to the same group may be combined. A units will be closed to investment for all new investors who invest for the first time after the cutoff date of December 31, 2015.

The A' units are intended for Quadrille Capital and its Affiliates (employees, shareholders and corporate officers, as well as the investment vehicles (or investors) managed by Quadrille Capital. The minimum initial investment for A' units is set at EUR 1,000. Investments by entities that belong to the same group may be combined.



The Fund's B units are available to all investors, subject to an initial investment of at least EUR 100,000.

The Fund's C units are available to all investors, subject to an initial investment of at least EUR 1,000,000. C units will be closed to investment for all new investors who invest for the first time after the cutoff date of January 31, 2021.

The Fund is also intended to serve as an investment vehicle for unit-linked life insurance policies.

Investors who subscribe for units in this Fund wish to invest in a diversified portfolio specializing in innovation and technological disruption.

The amount that may be reasonably invest in this Fund depends on each investor's personal circumstances and, in particular, on the investor's specific objectives and the composition of its financial portfolio. Investors are advised to diversify their investments sufficiently to avoid being exposed solely to the risks of this Fund.

The recommended minimum investment period is five (5) years.

9. **Determination and allocation of distributable amounts**

Net income is accumulated and/or distributed. Net realized capital gains are accumulated and/or distributed in accordance with the Management Company's decision.

10. **Frequency of distributions**

Distributions, if decided, are made once a year in March.

11. **Characteristics of units** (base currency, fractions, etc.):

Units	A	A'	B	C
ISIN	FR0012770154	FR0013400868	FR0012770162	FR0014000U71
Initial unit value	EUR 1	EUR 1	EUR 1	EUR 1
Base currency	Euro	Euro	Euro	Euro
Minimum initial investment	EUR 1.000.000	EUR 1.000	EUR 100.000	EUR 1.000.000

There is no minimum for subsequent investments

12. **Subscription and redemption procedures**

Subscription and redemption requests are centrally collated by the centralizing agent up until 10 a.m. (Paris time) from Monday to Friday:

Société Générale  
32 rue du Champ de Tir  
44000 Nantes

They are executed based on the next net asset value for the day.  
Subscription and redemption requests received after 10 a.m. (Paris time) are executed on the basis of the net asset value following that mentioned above.

Unitholders are reminded that orders sent to distributors other than the institutions referred to above must allow for the fact that the cutoff time for the central collation of orders applies to the submission of orders by the distributors to Société Générale. Such distributors may therefore apply their own cutoff times, which may be earlier than the cutoff time indicated above, in order to take account of the time required to transmit orders to Société Générale.

Orders will be executed as shown in the table below:

D (business day)	D (business day)	D (business day): day on which the NAV is calculated	D+1 (business day)	D+2 (business day)	D+2 (business day)
Subscription orders received centrally by 10:00 a.m.	Redemption orders received centrally by 10:00 a.m.	Execution of order no later than D	Publication of net asset value	Payment of subscriptions	Payment of redemptions

13. **Date and frequency of determination and calculation of net asset value:**

The net asset value is determined and calculated daily, except on legal holidays in France and days on which the French markets are closed (official calendar of Euronext Paris). If calculating the net asset value is not possible, it will be calculated on the next business day.

14. **Charges and fees**

a) **Subscription and redemption fees**

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees retained by the Fund are used to offset the costs the Fund incurs to invest or divest the assets under management.

Fees not retained by the Fund are paid to the Management Company, the distributor, etc.

Charges payable by the investor, deducted at the time of subscriptions and redemptions	Basis	Rate/Scale
Subscription fee not retained by the Fund	Net asset value x number of units	A units: 0% A' units: 0% B units: max. 3% C units: 0%
Subscription fee retained by the UCITS	Net asset value x number of units	A units: 0% A' units: 0% B units: max. 0.2% C units: 0%
Redemption fee not retained by the UCITS	Net asset value x number of units	A, A', B and C units: 0%
Redemption fee retained by the UCITS	Net asset value x number of units	A, A', B and C units: 0%

b) Financial management charges

These charges include all costs invoiced directly to the Fund, except transaction charges. Transaction charges include intermediaries' fees (brokers, etc.), as well as activity charges, if any, that may be collected, in particular by the depositary and the Management Company.

In addition, the following charges may be applied:

- Performance fees. These fees reward the Management Company if the Fund exceeds its objectives, and are therefore invoiced to the Fund;
- Costs external to the Management Company (statutory auditor, depositary, distributions, lawyers);
- Activity charges invoiced to the Fund.

c) Activity charges

	Charges invoiced to the Fund	Basis	Rate Scale (incl. VAT)
1	Financial management charges	Net assets	A units: 1% maximum A' units: 1% maximum B units: 1.5% maximum C units: 1.5% maximum
2	Administrative charges external to the Management Company	Net assets	A units: 0.2% maximum A' units: 0.2% maximum B units: 0.2% maximum C units: 0.2% maximum
3	Maximum indirect charges (management fees and charges)	Net assets	A units: 5% maximum A' units: 5% maximum B units: 5% maximum C units: 5% maximum
4	Activity charges	Deducted from each transaction	Not applicable
5	Performance fees	Net assets	A units: Not applicable A' units: Not applicable B units: 15% of the Fund's outperformance relative to the MSCI World Euro index* C units: Not applicable

**Calculation of the performance fee:**

The calculation of the performance fee is based on a comparison between the Fund's assets after operating and management charges and a benchmark portfolio that achieves identical performance to the benchmark over the calculation period while recording the same variations linked to subscriptions and redemptions as the Fund.

As soon as performance since the start of the fiscal year is positive and outperforms the benchmark index, a provision of 15% is set aside for this outperformance.

In the event of a decrease, the provision is reversed.

When units are redeemed, the Management Company is definitively entitled to retain the share of the provision for variable management fees corresponding to the number of units redeemed.

The reference period for calculating the performance fee is the Fund's fiscal year. For the first year, the reference period will be from August 28, 2015 to December 31, 2016. As of January 1, 2017, this fee will be calculated over a 12-month period.

For additional information on the charges invoiced to the Fund, please refer to the KIID.

**15. Selection of intermediaries**

A formal set of procedures has been put in place to monitor relations between the Management Company and financial intermediaries.

All new relationships are subject to an approval procedure intended to reduce the risk of default on transactions in financial instruments traded on regulated or organized markets (money market instruments, bonds and live equities).

This counterparty selection procedure applies the following criteria: the ability to offer competitive intermediation costs, the quality of order execution, the relevance of research services offered to users, their availability to discuss and explain their assessments, the ability to offer a range of products and services (whether broad or specialized) that meets the Management Company's needs, and the ability to optimize the administrative processing of transactions.

The weight given to each criterion depends on the nature of the relevant investment process.

**IV. COMMERCIAL INFORMATION****1. Subscription and redemption procedures**

In accordance with the prospectus, subscriptions and redemptions of Fund units may be made through Société Générale and, if applicable, through unitholders' customary financial intermediaries.

**2. Information provided to unitholders**

The Key Investor Information Document (KIID), the prospectus and the latest annual and interim reports of the Fund, drafted in French, will be sent free of charge within one week of submitting a written request to:

**Quadrille Capital  
16 place de la Madeleine  
75008 Paris**

- The net asset value is available at the Management Company's offices.

- The Management Company makes the marketing documentation available at its offices.
- Information on how environmental, social and governance (ESG) criteria are taken into account in the investment policy is available from the Management Company and will be included in the annual report.

## V. INVESTMENT RULES

The Fund will comply with the eligibility rules and investment limits applicable to UCITS, in particular Article R.214-1 et seq. of the French Monetary and Financial Code (Code monétaire et financier) and the AMF General Regulation.

## VI. OVERALL RISK

Method used to monitor overall risk: commitments on futures markets are calculated using the commitment calculation method.

## VII. ASSET VALUATION RULES

The entity complies with the accounting rules prescribed by the laws in force and, in particular, with the accounting standards applicable to UCITS, as defined by the Order of the Minister of the Economy of May 6, 1993, as amended by Regulation 2014-01 of January 14, 2014 of the French Accounting Regulations Committee (Comité de la Réglementation Comptable).

### 1. Valuation rules

The portfolio is valued on each net asset valuation day and on the balance sheet date, applying the following rules:

Shares and similar securities are valued using closing market prices.

Bonds and similar instruments are valued using closing market prices or prices provided by the Management Company.

Bonds and similar instruments are valued using closing market prices or prices provided by the Management Company.

Units or shares in European UCITS and/or AIFs available to non-professional clients are valued on the basis of the last known net asset value.

Negotiable debt securities with maturities of three months or less are valued at the purchase price plus accrued interest and negotiable debt securities with maturities over three months are valued at the market value or, in the absence of significant trades, by applying an actuarial method. Capital gains or losses realized on sales of French or foreign securities are calculated using the FIFO method.

Temporary purchases and sales of securities:

- securities lending: the claim representing the securities lent is valued at the market value of the securities;

- securities borrowing: the securities borrowed and the debt representing the securities borrowed are valued at the market value of the securities;
- collateral: the Fund lists in an appendix the securities received as collateral in connection with securities lending transactions and the debt corresponding to the obligation to return said securities.

Forward financial instruments traded on a regulated market are valued at the settlement price.

Options on forward financial instruments traded on a regulated market are valued at the closing price.

Financial instruments whose price is not known or seems incorrect on the valuation date or whose price has been adjusted are valued at their probable trading price under the responsibility of the Management Company's management board. These valuations and the justification therefor are provided to the statutory auditor when it conducts its audits.

Off-balance sheet items are presented at market value; for options, this value is derived from the equivalent value of the underlying asset.

Commitments on futures markets are calculated using the commitment calculation method.

## 2. **Accounting methods**

Securities are reported excluding costs.

Method used to recognize income from fixed income securities:  
Income is recognized on a cash basis.

Interest is recognized when it is collected.

Net income is accumulated and/or distributed. Net realized capital gains are accumulated and/or distributed in accordance with the Management Company's decision.

## 3. **ACCOUNTING METHOD**

The accounting currency is the euro.

# VIII. COMPENSATION

The Management Company has established a compensation policy (the "Policy") applicable to all members of the Management Company's staff, which outlines the main principles for determining and paying compensation.

The Policy is designed to avoid conflicts of interest and prevent risk-taking that is ill-advised or inconsistent with the risk profiles and articles of incorporation of the UCIs it manages and, in general, with the interests of the Management Company's clients.

A hard copy of the Policy is available free of charge upon request.



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**REGULATIONS**

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**DISRUPTION FUND**

UCITS governed by European Directive 2009/65/EC

**TITLE I - ASSETS AND UNITS****Article 1 - Co-ownership units**

The rights of co-owners are expressed in units. Each unit corresponds to the same fraction of the fund's assets. Each unitholder is a co-owner of the fund's assets in proportion to the number of units held.

The fund's term shall be 99 years from the date it is created, unless it is dissolved earlier or its term is extended in accordance with these regulations.

The Management Company may decide to split, recombine or subdivide the units into tenths, hundredths, thousandths or ten thousandths, referred to as fractions of units.

The provisions of the regulations governing the issue and redemption of units also apply to fractions of units, whose value shall always be proportional to the fraction they represent. Unless otherwise stipulated, all other provisions of the regulations relating to units apply automatically to fractions of units. The Management Company may decide, at its sole discretion, to split units by issuing new units that are allocated to unitholders in exchange for their existing units.

**Article 2 - Minimum amount of assets**

Units may not be redeemed if the fund's assets fall below EUR 300.000. If assets remain below that amount for thirty days, the management company shall take the measures necessary to liquidate the relevant fund or perform one of the transactions listed in Article 411-16 of the AMF General Regulation (transfers of investment funds).

**Article 3 - Issue and redemption of units**

Units may be issued at any time at the unitholders' request on the basis of the net asset value, plus any applicable subscription fees. Redemptions and subscriptions shall be carried out in accordance with the requirements and procedures specified in the prospectus. The fund's units may be listed in accordance with the laws in force.

Subscriptions shall be paid in full by the net asset value calculation date. They may be paid in cash and/or financial instruments. The management company is entitled to refuse the securities tendered and, for this purpose, shall have a period of seven days from the time they are deposited to give notice of its decision. If accepted, the securities tendered shall be valued in accordance with the rules set out in Article 4, and the subscription shall be made on the basis of the first net asset value following the acceptance of the relevant securities.

Redemptions shall be made in cash only, except in the event the fund is liquidated if unitholders have indicated their agreement to be reimbursed in securities. The unit registry manager shall pay unitholders within a maximum period of five days from the date their units are valued. However, if in exceptional circumstances redemption requires the prior realization of assets held by the fund, this period may be extended for a period not to exceed 30 days.

Except in the event of an inheritance or a gift and division in-kind, sales or transfers of units between unitholders, or between a unitholder and a third party, shall be treated as a redemption followed by a subscription. In the case of a third party, the transferee shall, if necessary, supplement the amount of the sale or transfer in order to attain at least the minimum subscription amount required by the prospectus.

In accordance with Article L. 214-8-7 of the French Monetary and Financial Code (Code monétaire et financier), the management company may temporarily suspend the fund's redemption of its units, as well as the issue of new units, if required by exceptional circumstances and the interests of the unitholders. If the fund's net assets fall below the amount required by law, no units may be redeemed.

In accordance with the third paragraph of Article L.214-8-7 of the French Monetary and Financial Code, the Fund may cease, wholly or partly and on a temporary or permanent basis, to issue units in objective situations that trigger the closure of subscriptions, such as a maximum number of units in issue, a maximum amount of assets reached or the expiry of a given subscription period. If this measure is triggered, existing unitholders are to be notified by any means of its enactment and of the threshold and the objective situation that led to the decision for full or partial closure. In the event of partial closure, this notification by any means shall expressly state the terms under which existing unitholders may continue to subscribe during the partial closure period. Unitholders shall also be notified by any means of decisions taken by the Fund or the Management Company either to end the total or partial closure of subscriptions (upon falling below the trigger threshold) or not to end it (changes to the threshold or in the objective situation that led to the implementation of this measure). Any change to the objective situation or threshold that triggers the measure must always be made in the interests of the unitholders. The notification by any means shall specify the exact reasons for these changes.

**Article 4 - Calculation of net asset value**

The net asset value per unit shall be calculated in accordance with the valuation rules set out in the prospectus.

In-kind contributions may only consist of the securities, instruments or contracts that may be held as assets of UCITS. They shall be valued in accordance with the valuation rules applicable to the calculation of the net asset value.

**TITLE II - OPERATION OF THE FUND****Article 5 - Management Company**

The fund shall be managed by the management company in accordance with the management strategy adopted for the fund. The management company shall in all circumstances act on behalf of the unitholders and shall have sole power to exercise the voting rights attached to the securities held by the fund.

**Article 5 bis - Operating rules**

The instruments and deposits that may be held as assets by the fund, as well as the fund's investment rules, are described in the prospectus.

**Article 5 ter - Admission to trading on a regulated market and/or a multilateral trading facility**

The units may be admitted to trading on a regulated market and/or a multilateral trading system in accordance with the laws in force. If a fund whose units are admitted to trading on a regulated market has an investment objective based on an index, it must have set up a system to ensure that the price of its units does not deviate significantly from its net asset value.

**Article 6 - Depositary**

The depositary shall perform the duties imposed on it by the laws in force, as well as the duties for which the management company appoints it by contract. In particular, the depositary shall ensure that the asset management company's decisions have been duly adopted. If necessary, it shall take all protective measures it deems appropriate. In the event of a dispute with the management company, it shall inform the Autorité des Marchés Financiers.

**Article 7 - Statutory auditor**

The management company's governing body shall appoint a statutory auditor for a term of six years, after obtaining the approval of the Autorité des Marchés Financiers. The statutory auditor shall certify that the financial statements are true and accurate. The statutory auditor's term of office may be renewed. The statutory auditor shall promptly inform the Autorité des Marchés Financiers of any event or decision concerning the fund of which it becomes aware in the performance of its duties that:

1. Constitutes a violation of the statutes and regulations applicable to such fund and that may have a significant impact on its financial position, income or assets;
2. Adversely impact its operating conditions or continuity;
3. Cause it to issue a qualified opinion or refuse to certify the financial statements.

Assets shall be valued, and the exchange ratios for the purposes of conversions, mergers or demergers shall be calculated, under the supervision of the statutory auditor.

The statutory auditor shall value all in-kind contributions under its own responsibility.

The statutory auditor shall verify the composition of the assets and other information before publication.

The statutory auditor's fees shall be determined by mutual agreement with the management company's board of directors based on a work program describing the tasks deemed necessary.  
The statutory auditor shall certify the financial statements used as the basis for interim distributions.  
The statutory auditor's fees shall be included in the management charges.

**Article 8 - Financial statements and management report**

At each fiscal year-end, the management company shall prepare the summary accounting documents and draft a report on the fund's management during the previous fiscal year.  
Under the depositary's supervision, the management company shall prepare a statement of the fund's assets at least semi-annually.  
The management company shall make these documents available to the unitholders within four months from the fiscal year-end and shall inform them of the amount of income to which they are entitled. These documents shall be either sent by mail, at the unitholders' express request, or made available to them at the management company's offices.

**TITLE III - ALLOCATION OF DISTRIBUTABLE AMOUNTS****Article 9 - Procedures for allocating distributable amounts**

Distributable amounts consist of:

- 1) net income plus retained earnings, increased or decreased by the balance of the income adjustment account;
- 2) capital gains realized, net of charges, less capital losses realized, net of charges, during the fiscal year, increased by net capital gains of the same type realized in previous fiscal years not distributed or capitalized, reduced or increased by the balance of the capital gains adjustment account.

The amounts referred to in subsections 1 and 2 may be distributed, in whole or in part, independently of each other.

Distributable amounts shall be paid within a maximum period of four months years from the fiscal year-end.

The Fund's net income is equal to the amount of interest, annuity installments, premiums and awards, dividends, directors' fees and all other proceeds from the securities in the fund's portfolio, plus the proceeds of amounts temporarily available, less management charges and debt service expense.

The management company shall decide on the allocation of distributable amounts.

For each unit class, if applicable, the fund may choose, for each of the amounts referred to in subsections 1 and 2, one of the following options:

- accumulation only: distributable amounts are reinvested in full, with the exception of amounts that are required to be distributed by law.
- distribution only: amounts, rounded to the nearest whole number, are distributed in full;
- in the case of funds that wish to retain the option of accumulating and/or distributing and/or carrying forward distributable amounts, the management company shall decide each year on the allocation of each of the amounts referred to in subsections 1 and 2.

If applicable, the management company may, during the fiscal year, decide to make one or more interim distributions, up to the amount of the net income of each of the amounts referred to in subsections 1 and 2 recognized as of the date of the decision.

The precise income allocation procedures are described in the prospectus.

**TITLE IV - MERGERS - DEMERGERS - DISSOLUTION - LIQUIDATION****Article 10 - Mergers - Demergers**

The management company may contribute the fund's assets, in whole or in part, to another investment fund it manages, or it may split the fund into two or more other investment funds that it will manage.

Such mergers and demergers may be carried out only after the unitholders have been informed thereof. New certificates shall be issued stating the number of units held by each unitholder.

**Article 11 - Dissolution - Extension**

If for a period of 30 days the assets of the fund (or a sub-fund, if applicable) remain below the amount specified in Article 2 above, the management company shall inform the Autorité des Marchés Financiers and dissolve the fund (or the sub-fund, if applicable), unless the fund is merged with another investment

fund. The management company may dissolve the fund (or a sub-fund, if applicable) before its term expires. It shall inform the unitholders of its decision and, as of such date, subscription and redemption requests shall cease to be accepted. The management company shall also dissolve the fund (or a sub-fund, if applicable) in the event of a request to redeem all units, if the depositary ceases to perform its duties and no other depositary is appointed, or if the Fund's term is not extended when it expires.

The management company shall inform the Autorité des Marchés Financiers by mail of the dissolution date and dissolution procedure adopted. Thereafter, it shall send the Autorité des Marchés Financiers the statutory auditor's report.

The management company may decide to extend a fund's term in agreement with the depositary. Such decision shall be adopted at least three months before the scheduled expiration of the fund's term, and notice thereof shall be given to the unitholders and the Autorité des marchés financiers.

#### **Article 12 - Liquidation**

In the event of dissolution, the management company shall act as liquidator. Failing this, the liquidator shall be appointed by the courts at the request of any interested party. For such purpose, it shall have the broadest possible powers to realize assets, pay any creditors and distribute the available balance to the unitholders, in cash or securities.

The statutory auditor and the depositary shall continue to perform their duties until the liquidation operations are completed.

### **TITLE V - DISPUTES**

#### **Article 13 - Jurisdiction - Address for service**

Any disputes concerning the fund that may arise during its operation or liquidation among the unitholders or between the unitholders and the management company or the depositary shall be subject to the jurisdiction of the competent courts.