



Book IV - Collective investment products

Title II - AIFS

Chapter I - General provisions

Section 1 - Procedure for marketing and pre-marketing of AIFs

Sub-section 3 - Marketing rules

Paragraph 2 - Special provisions applicable to the admission to trading on a regulated market or a multilateral trading facility

General regulation of the AMF

Article 421-27-2 into force since 07 November 2014

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Article 421-27-2

I. - The units or shares of an AIF whose management objective is based on an index, pursuant to II of Article D. 214-32-31 of the Monetary and Financial Code, may be admitted to trading on a regulated market. These are:

- 1 • Units or shares of index-based AIFs governed by Article R. 214-32-30 of the Monetary and Financial Code;
- 2 • The units or shares of an AIF whose management objective is to replicate the result obtained by applying a mathematical formula called an "algorithm" to an index complying with the conditions set out in I of Article R. 214-32-30 of the Monetary and Financial Code;
- 3 • The units or shares of foreign AIFs that are subject to a notification in accordance with the provisions of Article L. 214-24-1 of the Monetary and Financial Code and that meet the conditions provided for in 1° and 2°.

The algorithm includes one or more parameters that may vary over time and that are called "variables".

The algorithm, the index and conditions for adjusting the variables shall be described in the prospectus and set in a way that is compatible with the proper information of the public.

II. - Where the units or shares of AIFs are admitted to trading on a regulated market under the conditions provided for in I, the management company shall disclose to the public:

- 1 • The results of the algorithm in accordance with the timetable described in the prospectus;
- 2 • Any adjustment of the variables of the algorithm. This disclosure shall take place no later than seven business days before the implementation of the adjustment;
- 3 • By way of derogation to 2°, where one or more variables are adjusted automatically by application of objective criteria and according to a timetable described in the prospectus, the public shall be informed no later than seven business days following the implementation of the adjustments.

The management company will ensure the effective and complete disclosure of the information referred to in points 1°, 2° and 3°.

It will also post the information on its website.

III. - The provisions of this article apply to the marketing of units or shares of retail investment funds governed by Articles 422-2 et seq. and to the units or shares of foreign AIFs marketed under the conditions provided for in Article L. 214-24-1 of the Monetary and Financial Code, where these units or shares are admitted to trading on a regulated market under the conditions provided for in II of Article D. 214-32-31 of the Monetary and Financial Code.

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