**INVESTOR LETTER STANDARD TEMPLATE**

**CHANGE OF A GENERAL INVESTMENT FUND**

**The following template presents the writing structure to be adopted for producing investor letters insofar as they require special information. It summarises all the changes, listed in Article 8 of Instructions 2011-19 and 2011-20, which may occur during the life of the CIU concerned. Asset management companies are therefore invited to adopt this template as a basis for writing investor letters and to adapt them according to the transaction targeted. For more instructive explanations, kindly refer to the investor letter writing guide.**

Insert contact details of the sender, header and logo (where applicable).

The letter endings are to be decided by the asset management companies.

**You are holders of units in the** [fund or SICAV] X.

**What changes are going to take place concerning your** [fund or SICAV]**?**

Describe the transaction concisely and give the motives of the asset management company.

**The asset management company has decided to change** [to be adjusted depending on the planned changes].

Give a summary of the main impacts on the strategy and the risk/reward profile (about 5 lines).

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| *Variant in the case of a merger:* |
| **The asset management company has decided to merge your** [fund or SICAV] **with the** [fund or SICAV] Y.Give a summary of the main impacts on the strategy and the risk/reward profile (about 5 lines). |

**Important information** *(for the CIUs concerned)*

*Case of a CIU which has recorded a performance far below what was targeted in its investment objective (whether in absolute terms - e.g. quantified objective - or in relative terms - compared with a benchmark indicator)*

**We draw your attention to the fact that your fund/SICAV had as its objective**… [to be completed].

**Its recorded performance is** … [to be completed].

**This result can be explained chiefly by** … [to be completed, giving explanations concerning the market environment, which was not favourable to the CIU's strategy].

**You will find in appendix an illustrative graph** *(where relevant).*

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| *Where applicable, if the fund is a defined maturity fund with a quantified objective over the duration of the fund,**insert the following table:* |

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| **Quantified objective set at launching of the fund** | x**%** |
| **Actual performance (cumulative total)** | x**%** |
| **Actual performance (annualised)** | x**%** |

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| *For defined maturity funds which terminate their strategy before the maturity date stipulated in their legal documentation* |
| Explain concisely why the asset management company has decided not to pursue the strategy through to the maturity date stipulated in the fund's legal documentation. |

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| **Estimated residual rate to maturity***Only if the asset management company chooses to terminate the strategy before the maturity date initially planned* | x**%** |

Your fund had as its objective [to be completed] on a horizon of X years + explanation (in at most 5 lines)

**When will this or these transaction(s) take place?**

**This or these transactions will come into effect on** XX/XX/XXXX.

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| *Where applicable, insert a sentence on the freezing of subscriptions/redemptions*  |  |
| **NB: For the satisfactory performance of these transactions, you will not be able to subscribe to new units or request** **redemption of your units from** XX/XX/XX **to** XX/XX/XX**.** [The fund/SICAV] **having a valuation of** XX**, the last net asset value** [of the fund or SICAV] XX **at which subscriptions or redemptions may be performed before the merger transaction will be** **that on** XX/XX/XX**.** |
|   |   |
| Insert a box with the possibility of exiting without a penalty *(when applicable).* |

**If you do not agree with these changes, you can obtain the redemption of your units without a penalty until** XX/XX/XXXX**.**

**What is the impact of this or these change(s) on the Risk and Reward Profile of your investment?**

* **Change of Risk and Reward Profile:** [Yes or No]
* **Increase in the risk profile:** [Yes or No]
* **Potential increase in fees:** [Yes or No]
* **Extent of the change in the Risk and Reward Profile:** [Not significant, Significant or Very significant] **[[1]](#footnote-1)** and insert one of the corresponding visuals shown below


*This visual may be in colour or black and white with a visible contrast*

*If the change is very significant:* provide for a reference to an appendix with a comparative graph in the case of a merger in which the two CIUs have an appropriate performance record.

**What is the impact of this or these transaction(s) on your taxation?**

Indicate concisely the tax impact of the transaction and refer to the appendix for more details *if necessary*.

**What are the main differences between the fund/SICAV in which you currently hold units or shares and the future fund/SICAV?**

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| **Here are the details of the changes made to your investment** |
| *Variant in the case of a merger:* |
| **Here are the main differences between your** [current fund/SICAV] **and your** [future fund/SICAV]. |

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| Insert the following table*Each line is a brick that the asset management company will include only if it is appropriate in light of the changes observed. An asterisk is inserted after each line subject to the authorisation of the AMF. The changes are classified by order of importance.* |

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|  | **Before***In the case of a merger:* [Name of the acquired fund/SICAV] **(acquired)** | **After***In the case of a merger:* [Name of the acquiring fund/SICAV] **(acquirer)** |
| **Entities involved with the fund/SICAV** |  |  |
| **Asset management company\*** | Company X | Company Y |
| **Depository\*** | Company X | Company Y |
| **Guarantor\*** | Company X | Company Y |
| **Prime broker\*** | Company X | Company Y |
| **Auditor** | Company X | Company Y |
| **Delegated investment manager** | Company X | Company Y |
| **Delegated administrative and accounting manager** | Company X | Company Y |
| **Institution appointed to receive subscription and redemption orders** | Company X | Company Y |
|  |  |  |
| **Legal regime and investment policy** |  |  |
| **Legal form\*** | e.g. AIF | e.g. UCITS |
| **Classification (optional)** | X classification | Y classification |
| **Investment objective\*****Only when it is instructive (superfluous if the fund has a very general objective which is meaningful only across investment ranges) and/or if the objective does not change** | e.g. outperform the 15% CAC 40 + XX indicator | e.g. outperform the 20% CAC 40 + XX indicator |
| **Guarantee/Protection \*** | State whether there was a guarantee and what was its naturee.g. No | State whether there was a guarantee and what was its naturee.g. Protection up to 80% of the revalued NAV revised annually with ratchet above 5% |
| **Recommended investment period** | N | N’ |
| **Benchmark indicator** | e.g. 15% CAC 40 + XX | e.g. 20% CAC 40 + XX |
| **Change of stock picking method\*** | **Nature of this change:** [Define in a few words]e.g. Transformation of the fund into a feeder fund or "defeedering"Give the name of the master fund and specify if it is a foreign fundChange of master fund Give the name of the master fund and specify if it is a foreign fund |
| **Consideration of non-financial criteria in the management method** | e.g. No | e.g. Yes |
| **Allocation of distributable income** | e.g. accumulation | e.g. accumulation/distribution |
| **Distribution frequency** | e.g. weekly | e.g. monthly |

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| **Change of Risk and Reward Profile** |  |  |  |
| **Risk/reward ratio on a scale of 1 to 7 (Copy and Paste the risk level of funds' KIID)\*** | N | N’ |
| **Change in exposure to the various risk categories\*****Risks to be classified - from the biggest to the smallest changes in the portfolio.** | **List with exposure ranges**e.g. Equity risk [10%; 30%]Interest-rate risk [70%; 90%] | **List with exposure ranges**e.g. Equity risk [10%; 70%]Interest-rate risk [30%; 90%] | **Contribution to risk profile compared with previous situation:**+- |

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| **Fees***Add the list of fees which change with a red or green Up/Down arrow to visually identify fee items which increase.* |
| **Maximum fees** | e.g. direct management fees: 2% | e.g. direct management fees: 3% |  |
| **Ongoing fees** | e.g. 1.8% | e.g. 1.4% |  |
| **Performance fees** | e.g. No | e.g. 20% of the outperformance achieved relative to the CAC 40 over each reference period |  |
| **Redemption fees including retained adjustable exit fees** | X**%** | Y**%** |  |
| **Subscription fees including retained adjustable entry fees** | X**%** | Y**%** |  |

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| **Subscription/redemption conditions** |  |  |
| **NAV frequency** | e.g. daily | e.g. weekly |
| **Redemption capping\*** | e.g. No | e.g. cap at 10% |
| **Prior notice (subscription or redemption)** | e.g. no prior notice | e.g. 10 days prior notice |
| **Closing/reopening of subscriptions** | e.g. C unit class closed to subscription | e.g. C unit classes re-opened to subscription on XX/XX/XX |
| **Swing Pricing** | e.g. Yes | e.g. No |
| **Centralised order management** | e.g. Thursday 10 am | e.g. Thursday 11 am |
| **Division/Centralisation** | e.g. thousandth | e.g. ten-thousandth |
| **Reduction in minimum subscription amount\*** | e.g. R unit class: €100,000 | e.g. R unit class: €100 |
| **Creation\* /liquidation/consolidation of a unit class****If and only if the requirements are fulfilled for the AMF authorisation to be necessary** | e.g. Creation of the S unit class ("all subscribers") for which the minimum subscription is substantially less than for the existing unit classes, namely €100 |
| **Substantial easing of the fund entry conditions\*** | e.g. N unit class (single class): reserved for professional investors in the MiFID directive | e.g. N unit class (single class): all subscribersCreation of a Y unit class for which the minimum subscription of €100 is less than that for the other existing unit classes  |
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| **Practical information** |  |  |
| **Name** | X | X |
| **ISIN code** | FRXXXXXXXX | FRYYYYYYYY |
| **Currency** | e.g. EUR | e.g. USD |
| **Taxation** | e.g. "PEA" savings plan | e.g. not eligible for "PEA" plan |
| **Where to obtain information on the fund/SICAV** | X | Y |
| **Where to obtain the net asset value** | X | Y |
| **Where to obtain information on unit and share classes** | X | Y |
| **Financial year** | X | Y |
| **Admission or transfer of admission to trading** | e.g. admitted to trading | e.g. not admitted to trading |

**\* These changes received an authorisation from the AMF dated** XX/XX/XX**.**

**Key information for investors to remember**

*Where applicable:*
- Reiterate the need for and importance of reading the Key Investor Information Document (KIID) where applicable
- General invitation for investors to regularly contact their adviser concerning their investments
- Invitation to visit the asset management company's website and the fund/SICAV page with the various online fact sheets and reports.

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| *In the case of a merger: Add an appendix with an example of calculation of the exchange ratio and balancing cash payment + information on the specific tax features of the transaction.* |
| **As an illustration, if the merger transaction had taken place on** XX/XX/XX**, the exchange ratio (i.e. the ratio between the net asset value** [of the acquired fund/SICAV] **and the net asset value** [of the acquiring fund/SICAV] **would have been** [to be completed]. |
| **[**The fund unitholders/investors in the SICAV X (acquired fund/SICAV] **would therefore have received** X [units/shares] **and** X **thousandths [or other - to be adjusted according to the level of decimalisation]** [of a fund unit/share of the SICAV Y (acquiring fund/SICAV] **and a balancing cash payment of €**X **in return for** [one acquired fund unit/SICAV share]**.** |
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| Appendix |
|   |
| Glossary  |

1. **This indicator is based on changes in the SRRI and changes in the fund's exposure to one or more types of risks.** [↑](#footnote-ref-1)