QANTARA
ASSET MANAGEMENT

UCITS (FCP)governed by the European Directive 2009/65/CE

PROSPECTUS

QANTARA AFRICAN SOVEREIGN BONDS

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I- GENERAL CHARACTERISTICS

Denomination : **QANTARA AFRICAN SOVEREIGN BONDS**

Legal form : UCITS fund (FCP) under French regulation.

Creation date and expected lifetime: This FCP was approved by the "Autorité des marches" financiers on 22/12/2023 (fund deposit date) for a 99-year term.

Share class offering

Category	ISIN	Class	Currency	Investors	Valeur Liquidative d'origine	Minimum intitial subscription
I	FR001400FLB3	Capitalization	EUR	Investors being clients of Financial Intermediaries or Services prohibited from retaining inducements and authorized investors	100 EUR	100 000
ID	FR001400FLD9	Capitalization	USD	Investors being clients of Financial Intermediaries or Services prohibited from retaining inducements and authorized investors	100 USD	100 000
R	FR001400FLC1	Capitalization	EUR	All	100 EUR	100 000
RD	FR001400FLE7	Capitalization	USD	All	100 USD	100 000

Financial Reports

The latest annual and interim reports are sent within eight working days on written request by the holder to the management company:

Qantara asset management – Service client
44 Bis rue Pasquier
75008 Paris
Tel : 0186708550
Email: service.clients@qantara-am.com

Those reports are also available on the company's website www.qantara-am.com
Further information may be obtained from the management company, whose contact details are given above.

II- ADMINISTRATION & MANAGEMENT

Management company :

QANTARA ASSET MANAGEMENT
Public limited company (SAS -Société par Actions Simplifiée)
Headquarters : 44 Bis rue Pasquier – 75008 Paris
Management company licensed par the AMF (Autorité des marchés financiers) on January 04, 2023 under the registration number n° GP-20230002.

The Management Company manages the assets of the FCP in the exclusive interest of the unitholders, and reports to the unitholders on its management. It has the financial, technical and human resources required to provide the investment services offered.
The Management Company is covered by professional indemnity insurance, appropriate to the risks covered, to cover any risks to which its professional liability may be called into question in connection with the management of the FCP.

Depositary – Custodian :

CACEIS BANK
Public limited Company ("Société Anonyme")
Headquarters : 89-91 rue Gabriel Péri – 92120 Montrouge
Main activity: Bank and investment services provider approved by the CECEI on April 1, 2005

The depositary's duties cover the tasks, as defined by the applicable regulations, of safeguarding assets, verifying the regularity of the management company's decisions and monitoring the UCITS liquidity.
The depositary is independent from the Management Company.
A description of the custodial functions delegated, a list of CACEIS Bank's delegates and sub-delegates and information on conflicts of interest that may arise from these delegations are available on CACEIS website: www.caceis.com.
Updated information are available upon request.

Establishment in charge of centralizing subscription and redemption orders by delegation of the Management Company:

CACEIS BANK
Public limited Company ("Société Anonyme") with capital of 1 280 677 691,03 €
Headquarters: 89-91 rue Gabriel Péri - 92120 Montrouge
RCS Nanterre 692 024 722
Main activity: Bank and investment services provider approved by the CECEI on April 1, 2005.

The custodian is also responsible, on behalf of the management company, for maintaining the FCP's liabilities, which includes centralizing subscription and redemption orders for FCP units and maintaining the fund's register.

Auditors :

PricewaterhouseCoopers
Adress : 63 Rue de Villiers - 92208 Neuilly-sur-Seine
Represented by Mr. Amaury Couplez

Delegation :

The management company delegates administrative and accounting management to :
CACEIS Fund Administration
Adress : : 89-91 rue Gabriel Péri - 92120 Montrouge

The Fund's liabilities are managed by :

CACEIS Bank
By delegation from the management company, CACEIS Bank is responsible for managing the FCP's liabilities and, in this capacity, centralizes and processes subscription and redemption orders for FCP units.

Marketing :

QANTARA ASSET MANAGEMENT
Public limited company (SAS -Société par Actions Simplifiée)
44 Bis rue Pasquier – 75008 Paris

As the Fund is admitted to Euroclear France, its units may be subscribed or redeemed through financial intermediaries not known by the Management Company.

Advisors :
None

Conflicts of interest :
The management company has and maintains effective organizational and administrative procedures for identifying, managing and monitoring conflicts of interest.
The management company also has a procedure for selecting and monitoring its delegations, and a contractual policy for dealing with them to prevent any potential conflicts of interest.

III- OPERATIONS & MANAGEMENT

1-GENERAL CHARACTERISTICS

ISIN Code :

Share Class I	FR001400FLB3
Share Class ID	FR001400FLD9
Share Class R	FR001400FLC1
Share Class RD	FR001400FLE7

Rights attached to shares :
Each unitholder has a co-ownership right in the FCP's net assets proportional to the number of units held.

Voting right :
No voting rights are attached to units, as decisions are taken by the management company in accordance with regulations.

Liability management
CACEIS BANK depositary.

Form of shares:
Units are bearer shares.
The FCP will be issued by Euroclear.

Decimal places per share :
Units are expressed in ten-thousandths of a unit.

Closing date :
Last published net asset value of December (1^{st} closing in December 2024).

Taxation :
Depending on your tax situation, capital gains and income from FCP units may be subject to tax. We advise you to consult your usual tax advisor for further information.
a) At FCP's level :
- The FCP is not subject to corporate income tax.

- Income received by the mutual fund is not taxable; the same applies to capital gains, provided that no individual acting directly or through intermediaries owns more than 10% of the mutual fund's units.
b) FCP's Holders :
- The tax regime applicable to sums distributed by the FCP or to capital gains or losses latent or realized by the FCP depends on the tax provisions applicable to the investor's particular situation. If investors are unsure of their tax situation, they should consult a tax advisor or any other competent person.
- For income and capital gains received by holders whose country of residence is outside France, the applicable tax legislation is that of the country of residence.

US Tax law : Foreign Account Tax Compliance Act (« FATCA ») :

The aim of the US FATCA law passed on March 18, 2010 is to step up the fight against tax evasion by introducing annual reporting to the IRS (Internal Revenue System) of accounts held outside the US by US taxpayers. Sections 1471 to 1474 of the Internal Revenue Code ("FATCA") impose a 30% withholding tax on certain payments to a foreign financial institution (FFI) if the FFI fails to comply with FATCA. The Fund is an FFI and is therefore subject to FATCA.
These FATCA withholding taxes may be imposed on settlements made for the benefit of the Fund unless the Fund complies with the FATCA law in accordance with the provisions of said law and related texts and regulations, or if the Fund is governed by an Intergovernmental Agreement (IGA) to improve the application of international tax provisions and the implementation of the FATCA law.
As France signed an Intergovernmental Agreement (IGA) on November 14, 2013, the Fund will be able to take all necessary measures to ensure compliance with the terms of the IGA and local implementing regulations.
In order to comply with its FATCA obligations, the Fund will need to obtain certain information from its investors, so as to establish their US tax status. If the investor is a designated US person, a non-US entity owned by a US entity, a non-participating FFI (NPEFI), or fails to provide the required documentation, the Fund may be required to report information on the investor in question to the relevant tax authority, to the extent permitted by law.
All Qantara asset management partners are also required to disclose their status and registration number (GIIN: Global Intermediary Identification Number), and to notify Qantara without delay of any changes to this data.
Investors are advised to consult their own tax advisors regarding FATCA requirements relevant to their personal circumstances. In particular, investors holding units through intermediaries should ensure that such intermediaries are FATCA-compliant, so as not to incur withholding tax on the returns on their investments.

2-SPECIAL PROVISIONS :

Investment objective :

The Fund's objective is to outperform the JP Morgan EMBI Global Diversified
Africa over the Fund's recommended investment horizon, while offering investors discretionary geographic diversification of their bond investments by building up a portfolio of debt securities issued by African countries, state-owned companies and supranational bodies, denominated in the currencies of developed countries (USD, EUR) and listed on international markets (Europe, UK, USA, etc.).
The selected indicator does not explicitly take into account sustainability criteria.
The Fund promotes environmental and/or social characteristics within the meaning of article 8 of the SFDR regulation, without however pursuing a sustainable investment objective.

Benchmark :

The **JP Morgan EMBI Global Diversified Africa** index measures the performance of foreign-currency-denominated African sovereign bonds using a diversification scheme that allows for a more even distribution of weightings among the countries in the index. It is available via Bloomberg and its Bloomberg code is JPGCAFRI.

JP Morgan EMBI Global Diversified Africa index is provided by J.P. Morgan Securities PLC.
The Fund's index provider is an entity registered with ESMA in accordance with the provisions of Article 36 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks for financial instruments and contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.
In accordance with regulatory provisions, the Management Company has a procedure for monitoring benchmark indices used, describing the measures to be implemented in the event of substantial changes to an index or the discontinuation of its supply.

However, the FCP's objective is not to reproduce in any way the performance of this index. It makes investments on the basis of criteria that may lead to significant deviations from the performance of this index. Investments in issuers are made according to weightings that are not a function of the relative weight of each issuer in the index.

Investment process :

The Fund's strategy will be to acquire bonds or other debt securities issued or guaranteed by governments, state-owned companies and supranational issuers in African countries, denominated in the currencies of developed countries (USD, EUR), with a minimum holding ratio of 60%. Debt securities yields in the portfolio may be at fixed and/or variable rates, and/or indexed. In addition, for cash management purposes, the Fund may also acquire debt securities and money market instruments up to 20% of net assets; it may also invest in French or European UCITS (up to 10% of net assets).
Portfolio construction and management exploits three sources of added value: macroeconomic and monetary analysis, financial analysis of issuers and technical analysis (valuation) of products.
Macroeconomic and monetary analysis aims to align the portfolio with the management team's macroeconomic vision. The financial analysis of issuers is carried out by the investment team using an internal rating model, and technical analysis (valuation, liquidity, issues prospectus, special situations) takes into account the market conditions of a potential investment.
In addition to financial analysis, the Fund manager also analyzes extra-financial criteria relating to a range of environmental, social and governance factors. For each of these factors, there are corresponding performance indicators, such as energy transition, adaptation to climate change, human capital, government efficiency, etc.
Thus, the overall ESG score is a weighted average of the scores for pillars E "environment", S "social" and G "governance". The Fund will seek to improve the overall ESG score of the portfolio relative to its benchmark.
There is a risk that the final score assigned to an issuer by the Management Company may differ from that proposed by a third party.

While this Sub-Fund promotes environmental characteristics within the meaning of Article 8 of the SFDR classification, it is not currently committed to investing in any sustainable investments within the meaning of the SFDR or the Taxonomy Regulation. The expected minimum percentage of the fund's investments aligned with the EU taxonomy will be 0%.

Investors' attention is drawn to the fact that the "do no harm" principle only applies to investments underlying the Sub-Fund that take into account the EU criteria for environmentally sustainable economic activities. Furthermore, the investments underlying the residual part of the Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities.
For further information on the sustainable investments made by the Compartment, please refer to the Appendix "Pre-contractual information relating to the financial instruments referred to in Article 8 and Article 9 of the SFDR" to this Prospectus, which forms an integral part of this investment policy.

There will be no predefined issuer rating constraints in the selection of securities in the portfolio..

The overall interest rates sensitivity of the portfolio will be between 0 and 8.

The FCP will have share denominated in EUR (EUR Hedged) and USD (USD Hedged). The currency risk inherent in each share will be hedged, although the residual currency risk may represent up to 5% of the Fund's net assets.

The Fund may enter into financial contracts traded on French and foreign regulated and organized markets and/or over-the-counter, in order to hedge or expose the portfolio to interest-rate and currency risks, using instruments such as futures and options. Derivatives' Underlying may be currencies or interest rates.

Leverage :

Source of leverage				Maximal level	
Cash borrowing	Securities borrowing	Derivatives	Re-use of cash collateral	Engagement method	Gross method
YES	NO	YES	NO	210%	210%

Instruments used :

1- **Equity instruments : None**

2- **Debt securities and money market instruments (max. 110% of net assets)**

The Fund is mainly (at least 60% of net assets) invested in debt securities (Bonds and other similar securities), which may be fixed-rate or floating-rate, indexed, subordinated or asset-backed, issued or guaranteed by governments, state-owned companies and supranational issuers in African countries, denominated in the currencies of developed countries (USD, EUR).

The Fund manager may use money market instruments for cash management purposes. Money market instruments and deposits are considered an investment in their own right. Allocating part of the assets to these instruments is part of the portfolio construction process, which aims to outperform the benchmark index.
The following money market instruments may be used (up to 20% of net assets): BTFs, BTANs, Bonds with maturities of 2 years or less in the "Investment grade" category denominated in EUR or USD.

The Fund's net assets will be exposed to debt securities with no rating limit from one of the rating agencies (S&P, Fitch or Moody's).

Instrument picking is based on an internal analysis of credit risk. Thus, the sale or acquisition of a line is not based solely on the rating agencies' criteria, but on the best possible conditions compatible with the interests of the holders. The Fund manager uses internal credit risk assessment methods to select the fund's securities, and does not rely exclusively or systematically on ratings issued by rating agencies.

Fund interest rate sensitivity range : between 0 and 8

3- UCITS share (From 0 to 10% of net asset value)

In accordance with current regulations, the Fund may invest up to 10% of its assets in units or shares of European UCITS (holding no more than 10% of UCITS units).

4- Other asset (excluding derivatives) : None

5- Derivatives : max 110% of net asset value

In order to achieve its investment objective, the FCP may invest in forward financial instruments traded on French and foreign regulated, organized or over-the-counter markets:

- hedging the portfolio on the interest-rate risk market using futures and options.
- Hedging the portfolio on the foreign exchange market through the use of futures, swaps and forwards

Table of derivatives :

	MARKETS		RISKS			PURPOSES	
	Listed Markets	OTC	Equity	Interest rates	FX	hedging	Exposure
Futures							
Interest rate	x			x		x	
FX	x				x	x	
Options							
Interest rate	x			x		x	
FX							
Swaps							
Interest rate							
FX	x	x			x	x	
Forward FX							
FX		x			x	x	

6- Instruments with embedded derivatives

To achieve its investment objective, the FCP may use securities with embedded derivatives. In particular, it may hold bonds with an early redemption option at the option of the issuer or the holder. The FCP may hold EMTN, callable and puttable bonds issued or guaranteed by governments, state-owned companies and supranational issuers in African countries, denominated in the currencies of developed countries (USD, EUR). The risks to which the FCP is exposed via these instruments are limited to interest-rate, credit and currency risks.

7- Cash deposits

In order to manage its cash position, the Fund may make deposits with one or more credit institutions for a maximum period of 12 months, up to a limit of 10% of net assets.

8- Cash borrowing

The Fund may be in a debit position due to transactions linked to its cash flows (ongoing investments and divestments, subscriptions/redemptions, etc.) up to a limit of 10% of net assets.

Risk profile :

Your money will be invested mainly in financial instruments selected by the management company. These instruments are subject to changes and fluctuations in the financial markets.
The investor is exposed to the following risks:

Risk of capital loss

The investor receives no guarantee on the capital invested; it is possible that the capital invested will not be returned in full.

Interest rates risk

A change in interest rates (which may result from inflation) may entail a risk of loss and reduce the Fund's net asset value (particularly in the event of a rise in interest rates if the Fund has a positive interest-rate sensitivity, and a fall in interest rates if the Fund has a negative interest-rate sensitivity). Long-term bonds (and related derivatives) are more sensitive to changes in interest rates. A change in inflation, i.e. a general rise or fall in the cost of living, is one of the factors that can impact rates and therefore net asset value.

Risk linked to Emerging countries :

Market movements can be stronger and faster in emerging markets than in developed markets, which can lead to a substantial drop in net asset value in the event of movements opposite to positions taken. Volatility can be induced by overall market risk or triggered by fundamentals of a single security. Sector concentration risks may also prevail in certain emerging markets. These risks can also lead to increased volatility. Emerging countries may experience severe political, social, legal and tax uncertainties, or other events that could have a negative impact on funds investing in them

Geographic concentration risk :

The fund focuses its investments on issuers on the African continent. The fund's performance may be significantly affected by unfavorable economic, political and environmental developments in this region.

Credit risk :

This is the risk of default by an issuer or counterparty. This risk includes the risk of changes in credit spreads and the risk of default. The Fund may be exposed to the credit market and/or to specific issuers, whose prices will fluctuate according to market expectations of their debt repayment capacity. The Fund may also be exposed to the risk of default by a selected issuer, i.e. its inability to repay its debt in the form of coupons and/or principal. Depending on whether the Fund is positively or negatively positioned on the credit market and/or specific issuers, an upward or downward movement in credit spreads, or even default, may have a negative impact on net asset value.
When assessing the credit risk of a financial instrument, the Management Company will never rely solely on external ratings.

This risk may be higher in some cases due to speculative high-yield debt, whose issuers are deemed to be risky.

High-Yield securities risk :

The FCP may invest in securities with low or no ratings. The use of high-yield securities may therefore entail a greater risk of a fall in net asset value.

Subordinated securities risk :

The use of subordinated bonds exposes the fund to the risk of capital structure inversion: contrary to the classic capital hierarchy, investors in such instruments may suffer a loss of capital, as a subordinated creditor will be repaid after ordinary creditors. If this risk materializes, the net asset value may fall.

Currency risk :

Currency risk arises from the fund's direct investments and its transactions in forward financial instruments, resulting in exposure to a currency other than the fund's valuation currency. Fluctuations in the exchange rate of this currency against the valuation currency of the fund may have a negative impact on the portfolio’s net asset value.

Liquidity risk:

Liquidity risk is defined as the risk that a position in the Fund's portfolio cannot be sold, liquidated or closed out at a limited cost and within a sufficiently short timeframe, thereby compromising the Fund's ability to comply at all times with its obligations to redeem shareholders' shares at their request. In some markets (particularly emerging and high-yield bonds), price ranges may widen in less favorable market conditions, which may have an impact on net asset value in the event of asset purchases or sales. In addition, in the event of a crisis on these markets, securities can also become difficult to trade

Risk linked to financial derivative instruments :

Derivatives are financial instruments whose value depends on (or is derived from) one or more underlying financial assets (equities, interest rates, bonds, currencies, etc.). The use of derivatives therefore entails the risk associated with the underlying assets. They can be used to gain exposure to or hedge against the underlying assets. Depending on the strategies deployed, the use of derivatives may also entail leverage risks (amplification of downward movements). In the case of hedging strategies, derivatives may not be perfectly correlated with the assets to be hedged under certain market conditions. In the case of options, in the event of unfavorable price fluctuations in the underlying assets, the Fund could lose all premiums paid. OTC derivatives also entail a counterparty risk (which may, however, be mitigated by assets received as collateral), and may entail a valuation or liquidity risk (difficulty in selling or closing open positions).

Counterparty risk

The Fund may use over-the-counter derivatives and/or efficient portfolio management techniques. These transactions may give rise to counterparty risk, i.e. losses incurred in respect of commitments entered into with a defaulting counterparty.

Sustainability risk

Sustainability risk refers to any environmental, social or governance event or situation that could affect the performance and/or reputation of issuers in the portfolio.
Sustainability risks can be subdivided into 3 categories:

- Environmental: environmental events can create physical risks for issuers in the portfolio. Such events could, for example, arise from the consequences of climate change, loss of biodiversity, changes in ocean chemistry, etc. In addition to physical risks, issuers could also be negatively impacted by mitigation measures adopted to address environmental risks (such as a carbon tax, for example). These mitigation risks could impact issuers depending on their exposure to, and adaptation to, the above-mentioned risks.

- Social: refers to risk factors related to human capital, the supply chain and the way companies manage their impact on society. Issues relating to gender equality, compensation policies, health and safety, and risks associated with working conditions in general fall under the social dimension. Risks of human or labor rights violations within the supply chain are also part of the social dimension.

- Governance: These aspects relate to governance structures such as board independence, management structures, employee relations, compensation and compliance, or tax practices. The common denominator of governance-related risks is that they stem from a lack of corporate oversight and/or the absence of incentives for management to uphold high standards of corporate governance.

Sustainability risk may be specific to the issuer, depending on its activities and practices, but it may also be due to external factors. If an unforeseen event occurs on a specific issuer, such as a staff strike, or more generally an environmental disaster, this event may have a negative impact on the fund's performance. On the other hand, issuers who adapt their activities and/or policies may be less exposed to sustainability risk.
In order to manage risk exposure, mitigation measures may include the following:

- Exclusion of controversial activities or issuers
- Exclusion of issuers on the basis of sustainability criteria
- Integrating sustainability risks into the selection of issuers or the weighting of issuers in the portfolio
- Engagement and sound management of issuers

Where applicable, these mitigation measures are described in the section of the prospectus devoted to the Fund's investment policy.

ESG Risk

Our methodology is based on a series of indicators supplied by specialized external service providers and public databases (World Bank). ESG scores are defined and calculated in-house. The limitations of our research are largely linked to the nature, extent and consistency of ESG data currently available.

- Nature: Some ESG dimensions suit better to qualitative narrative information. Such information is subject to interpretation and therefore introduces a degree of uncertainty into the models.
- Scope: Once we have defined the ESG dimensions that our analysts consider important for each sector, there is no guarantee that the data will be available for all companies in that

sector. Wherever possible, we will try to ensure that any missing data is supplemented by our own ESG analysis.

- Homogeneity: different ESG data providers have different methodologies. Even within a single supplier, similar ESG dimensions may be treated differently depending on the sector. This makes it difficult to compare data from different suppliers.

The absence of common or harmonized definitions and labels incorporating ESG and sustainability criteria at European level can result in different approaches among managers to setting ESG objectives and determining whether these objectives have been met by the funds they manage.
Our methodology excludes or limits exposure to the securities of certain issuers for ESG reasons. As a result, it is possible that certain market conditions may generate financial opportunities that may not be exploited by the Fund.

Guarantee or protection

None

Subscribers and investor profile:

The purpose of this section is to specify which subscribers have access to the UCITS and what type of investors the UCITS is aimed at.

Professional clients and similar.

This FCP is aimed at professional investors seeking exposure to emerging African debt markets.
The reasonable amount for each investor to invest in this FCP depends on his or her personal situation. To determine this amount, investors should take into account their personal assets, current needs and recommended investment horizon, as well as their willingness to take risks or, on the contrary, their preference for cautious investment. We also recommend that you diversify your investments sufficiently, so as not to expose them solely to the risks of this FCP.

Recommended investment period: 3 years.

Share class	Targeted investors	Currency
I	Investors being clients of Financial Intermediaries or Services prohibited from retaining inducements and authorized investors	EUR
ID	Investors being clients of Financial Intermediaries or Services prohibited from retaining inducements and authorized investors	USD
R	All	EUR
RD	All	USD

INFORMATION FOR U.S. INVESTORS :

The management company is not registered as an investment adviser in the United States.

The shares of this FCP are not registered in the United States under the U.S. Securities Act of 1933, as amended (“Securities Act 1933) or permitted under any United States law. These shares must neither be offered, sold, or transferred in the United States (including its territories and possessions), nor benefit, directly or indirectly, a US Person (within the meaning of regulation S of the Securities Act of

1933 and similar). However, notwithstanding the above, the FCP reserves the right to make private placements of its shares with a limited number of US Persons, to the extent authorized by current US laws. Furthermore, financial institutions that do not comply ("non-compliant") with the FATCA program ("FATCA" designating the American "Foreign Account Tax Compliance Act", as included in the "Hiring Incentives to Restore Employment Act" "HIRE Act"), as well as its implementing measures and including similar provisions adopted by partner countries which have signed an "Intergovernmental Agreement" with the United States), must expect to be forced to see their shares bought back when this program comes into effect.
Shares of the FCP may not be offered, sold or transferred to an employee benefit plan governed by the American Employee Retirement Income Security Act of 1974 or ERISA law. to any other U.S. employee benefit plan or U.S. individual retirement account (IRA), and may not be offered, sold, or transferred to a trustee or any other person or entity mandated to manage the assets a U.S. benefit plan or individual retirement account, collectively referred to as "U.S. benefit plan investors." Fund's investors may be required to provide written certification confirming that they are not investment managers of U.S. employee benefit plans. When shareholders are or become investment managers of US benefit plans, they must immediately notify the FCP and will be required to transfer their units to investment managers of non-US benefit plans. The FCP reserves a right of redemption on any share which is or becomes the direct or indirect property of an investment manager of American social benefit plans. However, notwithstanding the foregoing, the FCP reserves the right to make private placements of its shares with a limited number of investment managers of American employee benefit plans, to the extent authorized by American laws in force.

Allocation of distribution from the fund :

Allocation of net income : **capitalization.** The management company has opted for capitalization. The net income is fully capitalized each year.
Allocation of realized net capital gains: **capitalization.** The management company opted for capitalization. The net capital gains realized are fully capitalized each year.
Accounting for interest using the interest received method.

Subscription and redemption terms:

Orders are executed according to the table below

Business day T	Business day T	NAV Calculation T	Business Day T+1	Business Day T+1	Business Day T+2	Business Day T+3
Centralization of subscription orders before 12:00 p.m(*)	Centralization of redemption orders before 12:00 p.m(*)	Orders execution	NAV Calculation	NAV Publication	Souscriptions settlement	Redemptions settlement

(*) Except for any specific deadline agreed with your financial institution

Subscriptions and redemptions can be made in amount, in whole number of shares or in fraction of a share, each share being divided into ten-thousandths
Subscription and redemption requests are centralized at CACEIS BANK whose address is as follows:

CACEIS BANK
Société Anonyme
Headquarters : 89-91 rue Gabriel Péri – 92120 Montrouge

Redemption Capping System :

The Management Company may not fully execute centralized redemption orders on the same net asset value in the event of exceptional circumstances and if the interests of the holders so require.

Calculation methodology and threshold:
The management company may decide not to execute all redemptions on the same net asset value, when a threshold objectively pre-established by the latter is reached on a net asset value. This threshold is defined, on the same net asset value, as the net redemption of all shares combined divided by the net assets of the FCP.

To determine the level of this threshold, the management company will take into account the following elements in particular:

- Frequency of the Net asset value calculation
- The Fund’s Investment process
- Liquidity of the Fund’s assets.

The capping of redemptions may be triggered by the management company when a threshold of 10% of net assets is reached.
The trigger threshold is identical for all share categories of the FCP.
When redemption requests exceed the trigger threshold, and if liquidity conditions permit, the management company may decide to honor redemption requests beyond the threshold, and thus partially or totally execute orders that could be blocked.
Redemption requests not executed on a net asset value will be automatically postponed to the next centralization date, they are irrevocable.
The maximum duration of application of the redemption capping system is set at 12 Net asset values over 3 months.

Holders Information in case the redemption capping system is triggered :
In the event of activation of the redemption capping system, holders will be informed by any means on the Management Company's website www.qantara-am.com.
In addition, holders whose redemption requests have been, partially or totally, not executed will be informed specifically and as soon as possible after the date of centralization by the centralizer.
Process for unexecuted orders:
Throughout the period of application of the redemption capping system, redemption orders will be executed in the same proportions for FCP holders who have requested a redemption on the same net asset value. Orders thus postponed will not have priority over subsequent redemption requests.

Exemption cases:
If the redemption order is immediately followed by a subscription from the same investor for an equal amount and carried out on the same net asset value date, this mechanism will not be applied to the redemption considered..

Periodicity of Net asset value calculation:

The NAV calculation day is Friday and the last working day of the month, unless the day concerned is a legal holiday in France or a day when the Paris stock exchange is closed. In such case, the establishment of the NAV is brought forward to the previous working day. This last NAV also implies a centralization of orders.
Investors have the possibility of subscribing in amount and/or fractions of shares; redemptions are carried out in amount and quantity of shares (ten thousandths).

The attention of holders is drawn to the fact that orders transmitted to marketers other than the establishments mentioned above must take into account the fact that the deadline for centralizing orders applies to those marketers with respect to CACEIS BANK. Consequently, these marketers may apply their own cut-off time, prior to that mentioned above, in order to take into account their time for transmitting orders to CACEIS BANK..
Possibility of subscribing and repurchasing in ten thousandths of shares. The minimum first subscription amount is 100,000 EUR (or 100 000 USD for USD denominated shares).

Further information:

The place of publication of the net asset value is at the premises of the management company. The prospectus of the UCITS, the latest annual documents as well as the composition of the assets would be sent within eight working days upon simple written request from the holder to:

QANTARA Asset Management
44 Bis, rue Pasquier
75008 PARIS

Fees and commissions:

Subscription and redemptions fees :
Subscription and redemption fees increase the subscription price paid by the investor or reduce the redemption price. Fees earned by the Fund are used to offset the costs incurred by the Fund in investing or divesting the assets entrusted to it. Fees that are not earned are paid to the management company, marketer, etc.

Share class	calculation basis	Subscriptions not acquired by the UCITS	Subscriptions acquired by the	Redemption
I	NAV x Number of shares	4% Max	None	None
ID	NAV x Number of shares	4% Max	None	None
R	NAV x Number of shares	4% Max	None	None
RD	NAV x Number of shares	4% Max	None	None

Exemptions:
In the case of subscriptions and redemptions of the same number of shares, carried out on the same day and at the same net asset value, the transaction will be commission-free.

Management Fees :
These fees include all costs billed directly to the FCP, with the exception of transaction costs. Transaction fees include intermediation charges (order reception and transmission service, order execution service, investment decision support and order execution services, etc.) and turnover fees, where applicable, which may be charged by the custodian and the management company.

In addition to management fees, we may charge:

- Performance fees. These remunerate the management company when the fund exceeds its objectives. They are billed to the FCP.
- Turnover fees billed to the FCP
- Costs associated with temporary purchases and sales of securities. For more details on the fees actually charged to the FCP, please refer to the Fees section of the DICI.

Fees billed to the FCP	Basis	Rate
Management Fees	NET ASSET	Share class I 1% Maximum Share class ID 1% Maximum Share class R 1,5% Maximum Share class RD 1,5% Maximum
Administrative Fees external to the Management Company	Net Asset	None
Maximum indirect costs (commissions and management fee	Net Asset	None
Turnover Fees	Charged on transaction	None
Performance Fees	Net Asset	None

These costs (fixed and, where applicable, variable) will be charged directly to the FCP's account.
A portion of the operating and management fees may be passed on to a third-party distributor, as remuneration for marketing the FCP.
The retrocession fees mentioned in the distribution agreements, as well as the management report and the intermediation fee statement, are available on the QANTARA ASSET MANAGEMENT website, in accordance with article 314-82 of the AMF General Regulations, as part of the implementation of shared commissions.
Any temporary purchases or sales of securities, as well as securities lending and borrowing transactions, will all be carried out under market conditions (at a rate corresponding to the duration of the acquisition or sale of the securities), and any income will accrue in full to the FCP

IV- MARKETING INFORMATIONS

SUBSCRIPTION AND REDEMPTION TERMS

In accordance with the provisions of the prospectus, subscriptions and redemptions of the UCITS shares may be made with QANTARA Asset Management and, where applicable, with financial intermediaries affiliated with Euroclear France.

Subscription/redemption requests are centralized by:

CACEIS BANK Société Anonyme
Headquarters : 89-91 rue Gabriel Péri – 92120 Montrouge
Main activity: Bank and investment services provider approved by the CECEI on May 9, 2005

All requests for information and/or complaints relating to the Fund may be addressed to:

- To the marketer, or
- To the management company for investment-related issues
- To the client service :

QANTARA Asset Management
44 Bis, rue Pasquier
75008 PARIS
Tel : 01 86 70 85 50
Web site: www.qantara-am.com
E-Mail : service.clients@qantara-am.com

The management company may transmit the composition of the UCITS' portfolio to its investors within a period of not less than 48 hours after publication of the net asset value, solely for the purposes of

calculating regulatory requirements linked to Directive 2009/138/EC (Solvency 2). Any investor wishing to benefit from this service must have put in place procedures for managing this sensitive information prior to transmitting the portfolio composition, so that it can be used solely for calculating prudential requirements.
Information on the FCP is available at:

QANTARA Asset Management
44 Bis, rue Pasquier
75008 PARIS
Tel : 01 86 70 85 50
Web site: www.qantara-am.com
E-Mail : service.clients@qantara-am.com

Environmental, social and governance criteria (ESG)
Information on whether or not the investment policy takes into account criteria relating to compliance with social, environmental and governance quality objectives is available on the website: www.qantara-am.com and will be included in the annual report where appropriate.

V- INVESTMENT RULES

The regulatory ratios applicable to the FCP are those mentioned in article R. 214-32 et seq. of the French Monetary and Financial Code.

VI- GLOBAL RISK

Calculation of the overall risk associated with financial contracts (including financial securities and money market instruments comprising financial contracts): UCITS simple management strategy based on leverage calculation ("engagement approach").

VII. REMUNERATION POLICY

The Management Company has established a general framework for the remuneration of its personnel, and has drawn up a remuneration policy (the "Remuneration Policy") in compliance with the regulations in force, and in particular with the following principles:

The Remuneration Policy is compatible with sound and effective risk management, including sustainability risks. It favors it and does not encourage risk-taking that would be incompatible with the UCITS' risk profiles and/or regulations. Qantara Asset Management has designed policies to promote responsible employee behavior that takes into account sustainability impacts.
The Remuneration Policy is consistent with the business strategy, objectives, values and interests of the Management Company, the FCP and investors, and includes measures to avoid conflicts of interest;
Qantara Asset Management's remuneration structure is linked to risk-adjusted performance. The performance assessment is part of a multi-year framework that is adapted to the minimum holding period recommended to FCP shareholders, so that it addresses the long-term performance of the FCP and its investment risks, and the actual payment of the performance-dependent components of the remuneration is staggered over the same period.;
Qantara Asset Management aims to ensure that employees are not encouraged to take inappropriate and/or excessive risks, including sustainability risks that are incompatible with the risk profile of Qantara Asset Management and, where applicable, the funds under management". In addition, where sustainability impacts are considered by the Fund, Qantara Asset Management ensures that staff give due consideration to these.
Thus, the Remuneration Policy ensures an appropriate balance between the fixed and variable components of overall remuneration; the fixed component always represents a sufficiently high

proportion of overall remuneration; the policy on variable components of remuneration is sufficiently flexible, and in particular leaves open the possibility of paying no variable component at all.
Details of the updated Remuneration Policy, a description of how remuneration and benefits are calculated and how this policy is consistent with consideration of sustainability risks and impacts, can be accessed via the Management Company's website.
A printed copy will be made available free of charge on request.

VIII- ASSET VALUATION RULES

The management company is responsible for setting the valuation rules.
The net asset value per share is calculated in accordance with the valuation rules set out below:

Evaluation methods and practical details

Unless otherwise specified, all instruments are valued on the basis of the net asset value date, Paris time.

Equities and shares in UCITS or investment funds

Equities or shares in UCITS or investment funds are valued at the last known net asset value (official or estimated).

ETF/Trackers

ETF/Trackers are valued a closing price.

Debt securities and money market instruments

Bonds and similar securities are valued at the last quoted mid-price.

Derivatives and forward financial instruments

Futures and options (excluding currency contracts) are valued at the settlement price.
currency futures are valued at the 5:00 p.m.

Swaps

Interest rate and/or currency swaps are valued using financial models calculated by the valuer or counterparties under the supervision and responsibility of the Management Company.
However, in the case of collateralized financial swaps, the whole, comprising the security and its interest rate and/or currency swap, is subject to an overall valuation.

Currencies

Assets and liabilities denominated in a currency other than the UCITS reference currency are valued at the 5:00 p.m.

Forward exchange contracts

Contracts are valued at 5:00 p.m.

Term deposits

Term deposits are valued at their contractual value.
In accordance with the principle of prudence, these valuations may be adjusted for the risk of counterparty default.

Cash borrowings

Cash borrowings are valued at contractual value.

Temporary purchases and sales of securities

Receivables representing securities received under repurchase agreements are valued at their contractual value plus interest receivable calculated pro rata temporis.
Securities sold under repurchase agreements are valued at their market value, and debts representing securities sold under repurchase agreements are valued at their contractual value plus interest payable calculated pro rata temporis.
Receivables representing lend securities are valued at the market value of the securities concerned, plus interest on the loan calculated pro rata temporis.
Borrowed securities and debts representing borrowed securities are valued at the market value of the securities concerned, plus the remuneration calculated pro rata temporis.

Financial instruments whose price has not been recorded on the valuation day, or whose price has been adjusted, are valued at their probable trading value under the responsibility of the management company.
These valuations and their justification are communicated to the Statutory Auditor during his audits.

Calculation of management fees and variable costs :
See Fees charged to the FCP table on page 17