Belfius Fullinvest

Prospectus

A SICAV (open-ended investment fund) constituted under Belgian law, with a variable number of units, opting for investments meeting the conditions stipulated by the UCITS Directive.

The prospectus contains the following items: (i) information regarding the SICAV and the sub-funds, (ii) articles of association, (iii) periodic reports.

January 2016

Preamble

The fund units are not and will not be registered in the United States in accordance with the US Securities Act of 1933, as amended ("1933 Securities Act") and are not and will not be eligible under any law of the United States. These units may not be offered, sold or transferred to the United States (including its territories and possessions) or directly or indirectly benefit any US Person (as defined in Regulation S of the 1933 Securities Act and similar). In addition financial institutions which do not comply with the FATCA programme (“FATCA” which stands for the US “Foreign Account Tax Compliance Act”), as included in the “Hiring Incentives to Restore Employment Act” (“HIRE Act”), and its application measures, including the identical provisions adopted by partner countries which have signed an “Intergovernmental Agreement” with the United States, must expect to be forced to have their units redeemed when the programme is put in place.

Presentation

Name: Belfius Fullinvest (also called "the fund" in this document)

Legal form: Société Anonyme (Public Limited Company)

Registered Office: 44 Boulevard Pachéco, 1000 Brussels, Belgium

Date of creation: 22/11/1991

Term: Unlimited term

Status:
Umbrella SICAV that has opted for investments that meet the requirements of Directive 2009/65/EC and is governed, with regard to its operation and investments, by the law of 03 August 2012 relating to certain forms of collective management of investment portfolios.

Sub-funds:
High, Low, Medium.

Share classes:
- **Class C** is the basic class, with no distinguishing features. It is offered to individuals and legal entities.
- **The LOCK class (also known as "Class L")** is characterised by the identity of the brokers that sell the shares.
  The LOCK class is a share class which is associated with a mechanism intended to limit the capital risk run. This mechanism is offered by Belfius Banque, the sole distributor authorised to market these shares. By investing in this class, investors accept that the shares are sold automatically when the net asset value reaches a set amount (activation price). Accordingly, whenever Belfius determines that the net asset value is equal to or less than the activation price, a redemption order is automatically generated and executed as soon as possible(*).
  All sales orders are executed at an unknown price. The mechanism therefore does not provide any guarantee as to the net asset value used for execution.
  Given the specific nature of this class, potential investors are advised to seek advice from their financial adviser at Belfius Banque before subscribing in order to obtain information about the technical and operational imperatives associated with this mechanism.
  (*) The sales order will be globalised at the first cut-off (closing date for reception or orders) after the day of calculation of the net asset value that led to automatic generation of the redemption order, and in accordance with the arrangements for the redemption of units in the case of the automatic triggering of the sales order for the LOCK Class.
- **Class R** is characterised by the identity of the intermediaries marketing the equities.
  Class R is restricted to certain distributors and intermediaries appointed by the Management Company who will not receive any compensation from the Management Company.

In the cases concerned by the regulation, the Board of Directors asks the transfer agent and/or the institutions providing the financial service to establish a procedure whereby it is possible to permanently check that the individuals who have subscribed the shares of a given class, benefiting, in one or more ways, from more advantageous conditions, or who have purchased these shares, still meet the criteria.
If the Board of Directors observes that a shareholder, at the time of subscription or subsequently, no longer meets the conditions for accessing the class, the Board of Directors may take all the necessary measures and, if necessary, convert the shares belonging to the shareholder in question to Class C without prior notification.
The Board of Directors may also decide, in the interests of the shareholders, to convert shares from one class into shares in another class but without, however, charging the conversion costs to the shareholders. A notice will be published in the press.

Board of Directors:
Chairman:
- Mr. Jan Vergote, Head of Investment Strategy, Belfius Banque S.A.

Directors:
- Mr Marc Vermeiren, Managing Director, RBC Investor Services Belgium S.A.
- Ms Marleen Van Assche, Securities Director, Belfius Banque S.A.
- Mrs Myriam Vanneste, Global Head of Distribution, Candriam Belgium
- Mr Tomas Catrysse, Head of Product Management Savings & Investments, Belfius Banque S.A.
- Mr Vincent Hamelink, Chief Investment Officer, Candriam Belgium, Member of the Executive Committee, Candriam.
- M. Gunther Wuyts, independent director

Management Company:
Candriam Belgium, with its registered office at 58 Avenue des Arts, 1000 Brussels, has been appointed as the investment fund management company.
Legal form: société anonyme
Candriam Belgium was incorporated on 30 January 1998 for an unspecified term. Its subscribed capital amounts to EUR 3,248,402.87. Its paid-up capital amounts to EUR 2,628,669.06.
Candriam Belgium has been appointed as the Management Company for the following UCI:
- AIFs: Belfius Pension Fund Balanced Plus, Belfius Pension Fund High Equities, Belfius Pension Fund Low Equities, Belfius Plan Bonds, Belfius Plan Equities, Belfius Plan High, Belfius Plan Low, Belfius Plan Medium, Belfius Portfolio Advanced, Belfius Select Portfolio, Candriam B, Candriam Clickinvest B, Belfius Cash Strategy, DMM, Paricor.
- Undertakings for collective investment in transferable securities (UCITS): Candriam Allocation, Candriam Business Equities, Candriam Equities B, Belfius Fullinvest, Candriam Institutional, Candriam Sustainable.

Its Board of Directors consists of the following individuals:
Chairman:
- Ms Yie-Hsin Hung, Chairman and Chief Executive Officer, New York Life Investment Management LLC

Passive directors:
- Mr Naïm Abou-Jaoudé, Chief Executive Officer and Chairman of the Executive Committee, Candriam
- Mr Christopher O. Blunt, Executive Vice President and President of the Investments Group, New York Life Insurance Company
- Mr John M. Grady, Senior Managing Director, New York Life Investment Management
- Mr John T. Fleurant, Executive Vice President and Chief Financial Officer of New York Life Insurance Company
- Mr David Bedard, Senior Vice President, New York Life Insurance Company and Senior Managing Director and Chief Financial Officer, New York Life Investment Management
- Mr Jeffrey Phlegar, Senior Vice President, New York Life Insurance Company and Chairman and Chief Executive Officer of MacKay Shields LLC and Chief Executive Officer, MacKay Shields UK LLP
- Mr Daniel Gillet, independent director

Active directors:
- Mr Tanguy de Villenfagne, Member of the Executive Committee of Candriam. He also carries out the following activities:
  - Chairman of the Management Committee of Candriam Belgium
- M. Vincent Hamelink, Member of the Executive Committee of Candriam. He also carries out the following activities:
  - Member of the Management Committee of Candriam Belgium
  - Director in various UCITS/AIFs
- Ms Myriam Vanneste, Global Head of Distribution She also carries out the following activities:
  - Member of the Management Committee of Candriam Belgium

- Director in various UCITS/AIFs

Its Management Committee is made up of the active directors mentioned above, namely:
- Mr Tanguy de Villenfagne, Chairman
- Mr Vincent Hamelink, Member
- Ms Myriam Vanneste, Member

The firm of auditors of the Management Company is PricewaterhouseCoopers Corporate Auditors / Bedrijfsrevisoren, having its registered office at 18 Woluwedal, 1932 Woluwe-Saint-Etienne, and whose permanent representative is Mr Roland Jeanquart.

Delegation of the implementation of the management of the investment portfolio:
Candriam Luxembourg, route d'Arlon 136, 1150 Luxembourg (Luxembourg).
Management strategy: Candriam Belgium, Avenue des Arts 58, 1000 Brussels.

Delegation of implementation of lending and borrowing operations associated with the asset management function:
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Individuals responsible for effective management:
- Mrs Myriam Vanneste, Candriam Belgium, Global Head of Distribution, Candriam Belgium, director in various UCITS/AIFs.
- Mr Marc Vermeiren, Managing Director, RBC Investor Services Belgium S.A., director of various UCITS/AIFs.

Administration duties delegated to:
RBC Investor Services Belgium S.A., 11 place Rogier, 1210 Brussels.
For certain administrative duties linked to the transfer agent activity: Belfius Banque S.A., 44 boulevard Pachéco, 1000 Brussels.
The administrative duties linked to the structuring activity are carried out by the Management Company.

Financial service(s):
Belfius Banque S.A., 44 boulevard Pachéco, 1000 Brussels.

Distributor(s):
Belfius Banque S.A., 44 boulevard Pachéco, 1000 Brussels.

Depository:
Belfius Banque S.A., Boulevard Pachéco 44, 1000 Brussels, whose principal business activity is that of a credit institution. Belfius Bank may therefore, on its own behalf or on behalf of or in partnership with third parties, undertake any activities for which a credit institution is authorised both in Belgium and abroad, and carry out any banking transactions such as, among other things, securities custody and management and any custody, brokerage and stock market transactions.

Auditor:
PricewaterhouseCoopers Corporate Auditors / Bedrijfsrevisoren, having its registered office at 18 Woluwedal, 1932 Woluwe-Saint-Etienne, and whose permanent representative is Mr Damien Walgrave.

Promoter(s):
Belfius Banque S.A., 44 boulevard Pachéco, 1000 Brussels.
Candriam Belgium, Avenue des Arts 58, 1000 Brussels.

Person(s) bearing the costs in the situations described in articles 115, § 3, paragraph 3, 149, 152, 156, 157, § 1, 3, 165, 179 and 180, paragraph 3 of the Royal Decree of 12 November 2012 on certain public undertakings for collective investment:
In general: Belfius Banque and/or Candriam Belgium.
In the situations described in Articles 156 and 165 of the Royal Decree of November 12th, 2012: The persons meeting the criteria set down in the aforementioned articles, in accordance with the methods defined therein.

Capital:
The share capital is always equal to the net asset value. It cannot fall below EUR 1,200,000.

Asset valuation rules:
See article 12 of the articles of association.

Balance sheet date:
31 December.

Rules relating to the allocation of net income:
The Ordinary Meeting of Shareholders will each year decide, at the proposal of the Board of Directors, upon the allocation of the annual net income obtained on the basis of the accounts closed in accordance with the legislation in force.
Where appropriate, the Ordinary Meeting of Shareholders may decide to distribute to distribution shareholders their share in the income arising from investments and from realised or unrealised capital gains, after deducting any realised or unrealised capital losses, and to capitalise the corresponding amounts pertaining to capitalisation shareholders.
In principle, and unless decided otherwise by the Board of Directors, dividends are distributed in the six weeks following the annual general meeting. The institutions providing the financial service are responsible for paying dividends.

Tax regime applicable to the investor:
- *Dividend tax regime:*
  Withholding tax of 27% for individuals
- *Capital gains tax regime, only applicable to investors who are liable for income tax:*
  Taxation of the capital gains received if sold for due consideration, the redemption of units by the fund or in the event of the full or partial distribution of the assets of the fund during the period of one year starting on the 1st day of the 5th month following the financial year end:
  During the reference financial reporting period, the Low, Medium and High sub-funds directly or indirectly invested more than 27% of their assets in the debt instruments referred to in article 19bis of the Income Tax Code (CIR). Investors will therefore be subject to a withholding tax of 25% on the portion of capital gains considered as interest for tax purposes in application of article 19bis of the Income Tax Code. If the investor is unable to prove the date on which he acquired his units or if he acquired them before 1 July 2005, he will be deemed to have held them since 1 July 2005 for the purpose of determining the taxable amount.
  If the calculation cannot be made due to a lack of information on the net asset value on the acquisition date or on 1 July 2005, the investor must expect to be taxed on the basis of the total amount received at the time of the sale, redemption or distribution.
  It is recommended that investors check whether the status of the sub-fund has changed on the date of sale for due consideration, of redemption of the units or of distribution of the assets of the fund.
- *Taxation of the capital gains realised by non-profit organisations and other entities subject to corporate tax pursuant to art. 220 of the Income Tax Code*: Currently, capital gains received in the event of the sale for due consideration, the redemption of units by the fund or in the event of full or partial distribution of the registered capital of the fund are not subject to the withholding tax.

The tax regime described above is subject to change.
The taxation of revenue and capital gains collected by an investor depends on the laws applicable to the latter's specific status in the country of collection.
In the event of any doubt as to the applicable tax regime, it falls to the investor to clarify his situation with the relevant professionals or advisors.

Tax regime applicable to the fund:
- Annual tax on undertakings for collective investment, on credit institutions and on insurance companies. The tax rate is set out in the "Fees and Expenses" section below.
- Reduction of amounts withheld at source on Belgian and foreign dividends collected by the fund (in accordance with double taxation prevention agreements).

Information sources:
- Units may be redeemed or repurchased from the offices of the institutions providing the financial service. Information regarding the fund is published in the specialist financial press or by other means.
- On request, the prospectus, the key investor information, the articles of association, the annual and semi-annual reports and full information on other sub-funds can be obtained, free of charge, before or after the subscription to the units, from the institutions providing the financial service.

- The turnover rate of the portfolio is shown in the last annual report. The portfolio turnover rate shows (as a percentage) the annual average number of transactions on the fund's portfolio, based on subscriptions and redemptions for the period concerned. The formula used is that published in the Royal Decree of 12 November 2012 on certain public undertakings for collective investment in schedule B, section II. The portfolio turnover rate calculated in this manner can be considered as an additional indicator of the scale of any transaction costs.
- The ongoing charges, as calculated in accordance with EU Regulation no. 583/2010 of the Commission of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament and of the European Council as regards key investor information and conditions to complete when providing key investor information or the prospectus on a durable medium other than paper or by means of a website (hereinafter "Regulation 583/2010"), are shown in the key investor information.

  Ongoing charges consist of all payments deducted from the fund's assets where such deduction is required or permitted by law, the articles of association or the prospectus. They do not, however, include any performance fees or portfolio transaction costs, except those charged by the custodian bank, although this does not apply in cases where the entry/exit costs are paid by the fund at the time of purchase/sale of shares of another fund.

  They take the form of a single digit percentage and are based on the costs for the previous financial year. In some cases, they may be expressed as a maximum amount to be charged or calculated on the basis of another one-year period, or they may be based on an estimate.
- Past performance figures are available in the latest annual report. Investors' attention is drawn to the fact that this data is by no means an indicator of the fund's future performance.
- The following documents and information can be consulted on the Management Company's website www.candriam.com: the prospectus, the key investor information and the latest annual and semi-annual reports.

Contact point from which additional information can be obtained if necessary:
Belfius Banque on freephone number 0800 99 900, open on bank business days between 7 a.m. and 10 p.m., on Saturdays between 9 a.m. and 5 p.m. and by e-mailing info@belfius.be.

Annual General Meeting of Shareholders:
Held on the third Thursday of March at 2 p.m., either at the registered office or at any other place in Belgium, as specified in the convening notice. If this day is a public holiday or bank holiday in Belgium, the Annual General Meeting of Shareholders will be held on the next bank business day.

Competent authority:
Autorité des Services et Marchés Financiers (FSMA), 12-14 rue du Congrès, 1000 Brussels.
The prospectus is published after approval from the FSMA, in accordance with Article 60 § 1 of the Act of 3 August 2012 relating to certain forms of collective management of investment portfolios. This approval does not serve as an appraisal of the appropriateness or quality of the offer, or of the offeror's position. The official text of the articles of association has been filed with the clerk's office of the commercial court.

Persons responsible for the content of the prospectus:
The Board of Directors. To its knowledge, the information contained in the prospectus is correct and there are no omissions that may alter their scope.

Persons responsible for the content of the key investor information:
The Management Company is only liable for the statements contained in the key information for the investor which would be deceitful, inaccurate or inconsistent with the corresponding parts of the prospectus. To its knowledge, the information contained in the key investor information is correct and there are no omissions that may alter its scope.

Shareholders' voting rights:
Where not otherwise specified by the law or by the articles of association, the decisions taken during a duly convened General Meeting of Shareholders are taken by a simple majority of the shareholders who are present or represented and who are voting. Decisions regarding the sub-fund will also be taken, where not otherwise specified by the law, by a simple majority of the shareholders in the sub-fund concerned, who are present or represented and voting.
Generally speaking, General Meetings of Shareholders may be held for each sub-fund, under the same conditions as for other general meetings.
If the units have an equal value, any full unit will carry the right to one vote. If the units have an unequal value, a full unit will automatically carry the right to the number of votes proportionate to the part of the capital it represents, by counting the unit that represents the lowest amount as one vote. Fractions of votes are not taken into consideration.

Liquidation of a sub-fund:
The Board of Directors may decide to wind up and liquidate a sub-fund as a result, among other things, of substantial and unfavourable changes in the economic, political and social situation in the countries in which investments are made or in which the sub-fund's units, or if the sub-fund's assets become too low and it becomes too onerous and costly to manage the sub-fund. Any such decision will be submitted to the General Meeting of Shareholders of the sub-fund in question.
The liquidation operations will be carried out by one or more liquidators who may be individuals or legal entities and who will be appointed by the General Meeting of Shareholders, which will determine their powers and remuneration.
The net liquidation proceeds of the sub-fund will be distributed to the sub-fund's shareholders proportionally to their investment in the sub-fund.

Suspension of the calculation of the net asset value and the issue, redemption and conversion of the units:
Notwithstanding the legal reasons for suspension, the calculation of the net asset value, the issue, redemption and conversion may be suspended in the following cases:

1. if one or more markets on which more than 20% of the assets are traded, or one or more significant foreign exchange markets on which the currencies in which the net asset value is expressed are traded, are closed for a reason other than legal holidays, or if transactions thereon are suspended or restricted;
   The Board of Directors shall determine the situations in which an official net asset value is calculated on the basis of which no issue, redemption or conversion applications shall be received.
2. if the situation is so serious that the assets and/or liabilities cannot be correctly valued or are unavailable except without seriously damaging the interests of the shareholders;
3. if it is not possible to transfer cash or carry out transactions at a normal price or exchange rate, or if restrictions are imposed on foreign exchange markets or financial markets;
4. in the event of IT failure making it impossible to calculate the net asset value;
5. as from the publication of the notice of the General Meeting of Shareholders called to deliberate on the liquidation of the company or of a sub-fund of the company, where the sole purpose of this liquidation is not to change the legal form;
6. during a merger or other restructuring, at the latest the day before the day when the exchange ratio and, where applicable, the balancing adjustment or the compensation assigned to the transfer or the sale are calculated.

Existence of fee-sharing agreements:
Fee-sharing agreements may exist.
At the time of drawing up a fee-sharing agreement, the Management Company intends to do everything in its power to avoid any conflicts of interest. If, however, conflicts of interest do emerge, the Management Company will act in the exclusive interests of the unitholders of the fund it manages.

Transactions in OTC derivatives and efficient portfolio management techniques

A. Efficient portfolio management techniques

In order to increase its yield and/or reduce its risks, each sub-fund is authorised to make use of techniques and instruments covering transferable securities and money market instruments:

I. Reverse repurchase transactions

Each fund may enter into reverse repurchase transactions for which on maturity the seller (counterparty) is required to take back the asset contained in the repurchase agreement and the fund is required to return the asset contained in the reverse repurchase agreement.
The type of securities contained in the repurchase agreement and the counterparties must meet the regulatory requirements.
Securities contained in reverse repurchase agreements must comply with the relevant fund's investment policy and must, along with the other securities the fund has in its portfolio, globally meet the investment restrictions.
For the term of the reverse repurchase agreement , the fund may not sell or use the securities which are contained in this agreement as a pledge/guarantee unless the fund has other means of coverage.

II. Repurchase transactions

Each fund may enter into repurchase agreements for which on maturity the fund is required to reacquire the asset contained in the repurchase agreement and the seller (counterparty) is required to return the asset contained in the reverse repurchase agreement.
The type of securities contained in the reverse repurchase agreement and the counterparties must meet the regulatory requirements.
The fund must, on expiration of the term of the repurchase agreement, have the necessary assets to pay the agreed return price to the fund.

The usage of these transactions must not produce a change in the investment objectives or the taking of additional higher risks.

III. Risks associated with effective portfolio management techniques

1. *Counterparty risk*
The counterparty risk is the risk that the counterparty suffers a credit event preventing it to return the securities/the cash amount at transaction maturity or at any time upon request from the fund.

2. Delivery risk
The fund may want to liquidate assets which are however subject to a transaction with a counterparty. The delivery risk is the risk that the counterparty, although contractually obliged, may not be able to return the assets quickly enough to allow the fund to honour their sale on the market.

3. Risk of conflicts of interests
A selection based on reasons other than the sole interest of the fund or counterparties and/or unequal treatment in the management of similar portfolios could be the main sources of conflicts of interest.

IV. Measures to limit the risks associated with efficient portfolio management techniques

1. Measures to limit counterparty and delivery risk
a. *Selection of counterparties*
The counterparties to these transactions are approved by the Management Company's Risk Management team and, when the transactions are initiated, have a minimum short-term rating of A-2 or equivalent from at least one recognised rating agency.
b. *Financial guarantees*
See point Management of financial guarantees for OTC derivative products and efficient portfolio management techniques below.

2. Measures taken to reduce the risk of conflicts of interest
To mitigate the risk of a conflict of interest, the Management Company has established a process for selecting and monitoring counterparties through committees organised by Risk Management. In addition, the remuneration of these transactions is in line with market practices in order to avoid any conflict of interest.

V. Periodic investor information

Additional information on these techniques for efficient portfolio management is shown in the periodic reports.

B. Over-the-counter derivative financial instruments

In over-the-counter operations, the counterparties to these operations, when the transactions are initiated have a minimum short-term rating of A-2 or equivalent from at least one recognised ratings agency, and are approved by the Management Company's Risk Management department. Additional information on the one or more counterparties to the transactions is shown in the annual report.
The fund may be party to agreements under which terms financial guarantees may be granted under the conditions set forth under the paragraph below entitled Management of financial guarantees for over-the-counter derivative products and techniques for the efficient management portfolio.

C. Management of financial guarantees for OTC derivative products and efficient portfolio management techniques

I. General criteria

All guarantees to reduce exposure to counterparty risk must at all times satisfy the following criteria:
- Liquidity: any guarantee received in a form other than cash must have a strong level of liquidity and be traded on a regulated market or within the framework of a multilateral trading system making use of transparent price setting methods such that it can be quickly sold at a price close to the valuation prior to the sale.
- Valuation: the guarantees received must be valued at least on a daily basis and assets with highly volatile prices will only be accepted as collateral if sufficiently prudent security margins are in place.
- Credit quality of issuers: the financial collateral received must be of excellent quality.
- Correlation: the financial guarantee received must be issued by an entity which is independent of the counterparty and does not have a strong correlation with the counterparty's performance.
- Diversification: the financial guarantee must be sufficiently diversified in terms of the countries, markets and issuers. As regards issuer diversity, the maximum exposure to an issuer through the guarantees received must not exceed 20% of the net assets of the respective sub-fund. However, this limit is raised to 100% for securities issued or guaranteed by a member state of the European Economic Area (EEA), by its local authorities, or by public international bodies to which one or more member states of the EU belong. These issuers must be highly rated (in other words rated at least BBB-/Baa3 by a recognised rating agency or regarded as such by the Management Company). If the fund exercises this latter option, it must hold securities belonging to at least six different issues, with securities belonging to the same issue not exceeding 30% of the total amount of the net assets.
- The management risks connected with guarantees, such as operational and legal risks, must be identified, managed and restricted by the risk management process.
- In the event of transfer of ownership, the guarantee received will be held by the custodian bank. Other types of agreements giving rise to guarantees may be held by an external custodian subject to prudential supervision which is not connected to the supplier of the financial guarantees.
- The guarantees received may be fully mobilised at any time without reference thereto to the counterparty or the need to obtain its agreement.

II. Types of authorised guarantees

The permitted types of financial guarantees are as follows:
- Cash denominated in the reference currency of the respective fund,
- Good quality debt securities (rated at least BBB-/Baa3 or equivalent by one of the ratings agencies) issued by public sector issuers from an OECD country (states, supranational bodies, etc) and of a minimum issue size of EUR 250 million,
- Good quality debt securities (rated at least BBB-/Baa3 or equivalent by one of the ratings agencies) issued by private sector issuers from an OECD country and of a minimum issue size of EUR 250 million,
- units in undertakings for collective investment offering adequate liquidity and investing in money market instruments.

The Risk Management department of the Management Company may impose more strict criteria and thereby exclude certain types of instruments, certain countries, certain issuers or even certain securities.

III. Level of the financial guarantees

The Management Company has put in place a policy which requires a level of financial guarantees based respectively on the type of transactions as follows:

- repurchase and reverse repurchase*: 100% of the value of the assets transferred,*

IV. Discounting policy

The Management Company has put in place a discounting policy suited to each category of assets received as a financial guarantee.
This policy can be obtained by investors free of charge from the Management Company's registered office.

V. Restrictions on reinvestment of financial guarantees received

Financial guarantees in cash can only be placed with entities of good quality, invested in high quality government loans, used for the purpose of repurchase transactions that can be recalled at any time and/or invested in short-term collective investment funds, in accordance with applicable diversification criteria.
Although invested in assets with a low degree of risk, investments may, nevertheless, contain some limited financial risk.
Non-cash financial guarantees may not be sold or reinvested or pledged.

Risk profile information

Investors are invited to familiarise themselves with the specific risk factors shown hereafter, as well as in the technical fact sheets for each fund and with the "risk and return profile" section in the key investor information document.
The list of the risks described is not expected to be exhaustive. Investors are also recommended to consult their specialist financial advisors before subscribing.

List of risks:

A. **Equity** risk: investments in ordinary shares and other equity securities are particularly subject to risks associated with a change in economic conditions, stock markets, the industry and the company, and to risks relating to the ability of the fund managers to anticipate changes that may negatively affect the value of the assets. The pursuit of greater gains often brings with it a risk of loss.

B. **Interest rate** risk: change in interest rates, resulting notably from inflation, may cause a risk of losses and reduce the net asset value of the fund (particularly in the event of a rate increase if the fund has a positive rate sensitivity and in the event of a rate decline if the fund has a negative rate sensitivity). Long term bonds (and related derivatives) are more sensitive to interest rate variations.

C. **Commodities** risk: trends may differ significantly from those of traditional securities markets (equities, bonds). Climatic and geo-political factors can also affect the supply and demand levels of the respective underlying product, in other words altering the expected scarcity of the product on the market. Some commodities such as energy and some metals may have more strongly correlated trends.

D. **Credit** risk: risk that an issuer or a counterparty will default. This risk includes the risk of changes in credit spreads and default risk.
Some funds may be exposed to the credit market and/or specific issuers in particular whose prices will change based on the expectations of the market as regards their ability to repay their debt. These funds may also be exposed the risk that a selected issuer will default, i.e. will be unable to honour its debt repayment, in the form of coupons and/or principal. Depending on whether the fund is positively or negatively positioned on the credit market and/or some issuers in particular, an upward or downward movement respectively of the credit spreads, or a default, may negatively impact the net asset value.
Certain funds may use OTC derivative products. Transactions on these may cause a counterparty risk similar to a credit risk, i.e. losses incurred in connection with commitments contracted with a defaulting counterparty.
A fund which invests in poor quality debt instruments is more sensitive to these problems and its value may be more volatile.

E. **Settlement** risk: the risk that settlement with a payment system does not take place as planned, because the payment or delivery by a counterparty does not occur or is not made in accordance with the initial conditions. This risk exists to the extent that some funds invest in regions where financial markets are not well developed. In regions where the financial markets are well developed, this risk is low.

F. **Liquidity** risk: liquidity risk is defined as that of a position in the fund's portfolio that cannot be sold, liquidated or closed at a limited cost and within a sufficiently short time, thus jeopardizing the fund's ability to comply at any with its obligations to redeem the shares of investors at their request. On certain markets (in particular emerging and high-yield bonds, equities with low market capitalisation, etc.), the quotation spreads may widen under less favourable market conditions, which could impact on the net asset value when assets are purchased or sold. Furthermore, in the event of a crisis on these markets, the securities could also become difficult to trade.

G. **Foreign exchange** risk: foreign exchange risk derives from the fund's direct investments and its investments in forward financial instruments, resulting in exposure to a currency other than its valuation currency. Changes in the exchange rate of this currency in relation to that of the fund may negatively affect the value of assets in the portfolio.

H. **Custody** risk: the risk of loss of assets held by a custodian as a result of insolvency, negligence or fraudulent action by the custodian or a sub-custodian.

I. **Concentration** risk: risk related to a significant concentration of investments in a specific asset class or certain markets. This means that changes in these assets or these markets have a significant impact on the fund's portfolio value. The greater the diversification of the fund's portfolio, the lesser the risk of concentration. This risk is also greater for instance on more specific markets (certain regions, sectors or themes) than on broadly diversified markets (worldwide distribution).

J. **Performance** risk: this risk arises from the level of exposure to other risks, the type of management (more or less active) and the presence or absence of a protection or guarantee mechanism. Volatility is one of the indicators of performance risk.

K. Risk relating to **capital**: investors are advised that any capital they invest is not guaranteed and that they may therefore not receive back the full amount invested. They may thus suffer a loss.

L. **Emerging countries** risk: market movements can be stronger and faster on these markets than on the developed markets, which could cause the net asset value to fall in the event of adverse movements in relation to the positions taken. Volatility may be caused by a global market risk or may be triggered by the vicissitudes of a single security. Sectoral concentration risks may also be prevalent on some emerging markets. These risks may also heighten the volatility. Emerging countries can experience serious political, legal and fiscal uncertainties or other events that could impact negatively on the funds investing in them.

M. **Flexibility** risk: lack of flexibility due to the fund's investment portfolio and/or restrictions on the transfer to other offerors, including the risk of premature redemption. This risk may have the effect of preventing the fund at certain times from taking the desired actions. It may be greater for funds or investments subject to restrictive regulations.

N. **Inflation** risk: inflation risk is mainly due to sudden changes in supply and demand of goods and products in the economy, increases in the cost of raw materials as well as excessive wage increases. This is the risk of being repaid in a depreciated currency, getting a rate of return below the rate of inflation. This risk concerns, for example, long-term and fixed income bonds.

O. Risk associated with **external** factor: uncertainty about the sustainability of some external environmental factors (such as tax regime or regulatory changes) that may have an impact on the operation of the fund.

P. **Model** risk: the securities making up the portfolio of the funds are selected essentially on the basis of quantitative models. There is a risk that these models are less efficient, or that they may even present deficiencies, under certain specific market conditions.

Q. Risk arising from **derivative financial instruments**: derivatives are 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 involves the risk associated with the underlying instruments. They may be used for purposes of exposure or hedging against the underlying assets. Depending on the strategies employed, the use of derivatives can also entail leverage risks (amplifying downward market movements). In cases of a hedging strategy, the derivatives may, under certain market conditions, not be perfectly correlated to the assets to be hedged. For options, due to an unfavourable fluctuation in price of the underlying assets, the fund could lose all of the premiums paid. OTC derivatives also entail a counterparty risk (though this may be attenuated by the assets received as collateral) and may involve a valuation risk or a liquidity risk (difficulty to sell or close open positions).

R. **Volatility** risk: a fund may be exposed (taking directional positions or using arbitrage strategies for example) to market volatility risk and could therefore, based on its exposure, suffer losses in the event of changes in the volatility level of these markets.

S. **Arbitrage** risk: arbitrage is a technique which consists in benefiting from the differences in prices recorded (or anticipated) between markets and/or sectors and/or securities and/or currencies and/or instruments. If such arbitrage transactions perform unfavourably (a rise in sell transactions and/or fall in buy transactions), the net asset value may fall.

T. **Counterparty** risk: the fund may use OTC derivative products and/or efficient portfolio management techniques. These transactions may cause a counterparty risk i.e. losses incurred in connection with commitments contracted with a defaulting counterparty.

Synthetic risk and return indicator:

The risk and return indicator reflects the fund's positioning in terms of risk and return. This indicator is calculated in accordance with Regulation 583/2010 and is available, in its latest version, in the key investor information.

It classifies the fund on a scale from 1 to 7 and reflects the historical volatility of the fund, possibly augmented by that of its own frame of reference. Volatility indicates the extent to which the fund's value may fluctuate upwards or downwards.

The higher up the fund is on the scale, the greater the possible return but also the greater the risk of loss. Although the lowest figure does not mean that the fund involves no risk at all, compared to higher figures, in theory this product offers a yield that is lower but also more predictable.

The indicator can be calculated using simulated historical performance data, which is not necessarily a reliable indicator of the risk profile and future performance of the fund, however. As a result, the degree of risk may change over time.

Information on the units and trading of units

Sub-fund	*Class*	*Type*	*Currency*	*ISIN code*	*Initial subscription price*	*Initial subscription period/date*	*Payment date of the initial subscription price*	*Minimum initial amount*
High	C	Cap	EUR	BE0131578461	247.89	from 03.02.92 to 21.02.92	24/02/1992	-
High	C	Dis	EUR	BE0146676128				
High	L	Cap	EUR	BE6214498964	Price of C Cap. unit on the 1st subscription day	14/02/2011	-	-
Low	C	Cap	EUR	BE0131576440	247.89	from 03.02.1992 to 21.02.1992	24/02/1992	-
Low	C	Dis	EUR	BE0146674107				
Low	L	Cap	EUR	BE6214496943	Price of C Cap. unit on the 1st subscription day	14/02/2011	-	-
Medium	C	Cap	EUR	BE0131577455	247.89	from 03.02.92 to 21.02.92	24/02/1992	-
Medium	C	Dis	EUR	BE0146675112				
Medium	L	Cap	EUR	BE6214497958	Price of C Cap. unit on the 1st subscription day	14/02/2011	-	-
Medium	R	Cap	EUR	BE6258211620	100	02/12/2013	06/12/2013	-

Form of the units

The units are registered or paperless, except units of the LOCK class which can only be issued in paperless form.

Calculation of the net asset value, arrangements for subscription of units, redemption of units and conversion between types of units

J	=	Cut-off date for receiving orders (every bank business date in Belgium at 4 p.m.) and date of the sub-fund's published net asset value (NAV). The cut-off time for receiving orders specified here only applies to the institution providing the financial service and the distributors listed in the prospectus. For all other distributors, investors are asked to enquire about the cut-off time for receiving orders set by these distributors.
D + 1	=	Acquisition date of the underlying UCIs
D + 2	=	Date of calculation of the net asset value of the underlying UCI (NAV dated D +1).
D + 3	=	Date of calculation of the net asset value (NAV date = D) based on the price of the underlying UCI (NAV dated D +1, calculated on D+2)
D + 4	=	Date on which applications are paid or redeemed

Unit redemption arrangements in case of automatic triggering of a sales order in the LOCK class

J	=	Date of the net asset value that triggers an automatic sales order (each bank business day in Belgium)
D + 3	=	Date of calculation of the net asset value (NAV date = D) based on the price of the underlying UCI (NAV dated D +1, calculated on D+2) which triggers an automatic sale order.
D + 4	=	Cutoff date for receiving automatic sales orders (each bank business day in Belgium at 4 p.m.) and date of the automatic sales order
D + 7	=	Date of calculation of the net asset value (NAV date = D+4) based on the price of the underlying UCI (NAV dated D +5, calculated on D+6) applied to the automatic sale order.
D + 8	=	Unit redemption date

Publication of the net asset value:
The net asset value is published on the BeAMA website (www.beama.be/vni) and is also available at the offices of the institution providing the financial service.

Commissions and fees

Recurring fees and charges payable by the fund (in EUR or as a percentage of the net asset value):

A. Investment portfolio management fee
B. Performance fee
C. Administrative fee
D. Remuneration for assets allocation
E. Costs linked to the Lock mechanism
F. Sales fee
G. Financial service fee
H. Custodian fee
I. Annual tax
J. Auditors' fee (VAT excluded)
K. Fees for the individuals responsible for actual management

L. Other costs (estimate) including the fees payable to the auditors, directors and individuals responsible for effective management

Sub-fund	*Class*	*A (i)*	*B*	*C (i)*	*D*	*E*	*F*	*G*	*H (i)*	*I (ii)*	*J (iii)*	*K*	*L (iii)*
High	C	max. 1.35%	-	max. 0.105%	-	-	-	-	max. 0.08%	0.0925%	3,600	-	0.10%
High	L	max. 1.35%	-	max. 0.105%	-	max. 0.09%	-	-	max. 0.08%	0.0925%		-	0.10%
Low	C	max. 1.00%	-	max. 0.105%	-	-	-	-	max. 0.08%	0.0925%	3,600	-	0.10%
Low	L	max. 1.00%	-	max. 0.105%	-	max. 0.07%	-	-	max. 0.08%	0.0925%		-	0.10%
Medium	C	max. 1.15%	-	max. 0.105%	-	-	-	-	max. 0.08%	0.0925%	3,600	-	0.10%
Medium	L	max. 1.15%	-	max. 0.105%	-	max. 0.07%	-	-	max. 0.08%	0.0925%		-	0.10%
Medium	R	max. 0.70%	-	max. 0.105%	-	-	-	-	max. 0.08%	0.0925%		-	0.10%

(i) Per annum of the average net assets, calculated and payable monthly.
(ii) Of the net amounts invested in Belgium as at 31 December of the previous year. The amounts that have already been included in the tax base of the underlying funds (where applicable) are not included in the taxable fund.
(iii) Per annum

The underlying funds bear, where applicable, their own fees and charges.

Recurring fees and charges payable by the fund (in EUR or as a percentage of the net asset value):

Directors' fee: Directors are not paid for their services except for the independent director who is paid EUR 3,000 per annum.

Non-recurring fees and charges payable by the investor (in EUR or as a percentage of the net asset value per unit):

A. Marketing fee
A-1: on entry
A-2: on exit
A-3: on conversion
B. Administrative expenses
B-1: on entry
B-2: on exit
B-3: on conversion
C. Amount to cover the cost of acquiring assets
D. Amount to cover the cost of realising assets
E. Amount to discourage exits during the month following entry

Sub-fund	**Class**	**A**			**B**			**C**	**D**	***E***
		A-1	***A-2***	***A-3(i)***	***B-1***	***B-2***	***B-3(i)***			
High	C, L	max. 2.50% (iii)	-	(ii)	-	-	(ii)	-	-	-
Low	C, L	max. 2.50% (iii)	-	(ii)	-	-	(ii)	-	-	-
Medium	C, L, R	max. 2.50% (iii)	-	(ii)	-	-	(ii)	-	-	-

(i) Change of sub-fund/share class/type of units. Except for taxes, no costs will be charged for conversions from a Lock class to a class C.
(ii) In case of conversion from one sub-fund to another sub-fund of the same fund, conversion fees (such as a marketing fee) may be charged. Furthermore, as part of the conversion process, the institutions providing the financial service will be entitled to deduct an amount for each transaction to cover these administrative expenses. The institutions providing the financial service will provide unitholders with their schedule of fees.
(iii) This rate corresponds to the highest rate applied by all Belgian and European distributors. The institutions providing the financial service will provide shareholders with their schedule of fees.

Tax on Stock Market Transactions sustained by the investor:

1.32% (max. EUR 2,000) in case of sale or conversion of capitalisation shares (Cap. => Cap./Dis.).

Belfius Fullinvest High

Date of creation: 22/11/1991

Term: Unlimited term

Objectives of the sub-fund:
The objective of the sub-fund is to enable shareholders to benefit from trends on the financial markets through a portfolio principally made up of undertakings for collective investment (UCI) that aim to offer a broad diversification (notably via equities and bonds of different countries and sectors). The sub-fund will focus on investments in equity UCI.

Sub-fund's investment policy:

- Authorised asset classes:
  The assets of this sub-fund will be invested principally in units in Belgian UCI and/or foreign UCI of the open-ended type.
  The sub-fund's assets may also be invested, on an ancillary basis, in the other asset classes mentioned in the articles of association appended to this document. Thus, for example, on an ancillary basis, the assets may be invested in equities, bonds, money market instruments, deposits and/or cash.

- Particular strategy:
  The sub-fund will invest principally in units in Belgian or foreign UCI, which themselves invest essentially in:
  - bonds and/or equivalent securities, such as investment grade bonds, high-yield bonds, mortgage-backed securities, inflation indexed bonds, etc.,
  - equities and/or securities equivalent to equities,
  - and/or cash and money market instruments.

  The sub-fund focuses on investments in equity UCI. However, they could be a minority proportion or be very low according to the asset manager's expectations of the trend of the financial markets and in order to reduce the risk for the investor.
  In addition, the sub-fund may invest part of its net assets in UCI which follow specific strategies (such as, for instance, raw materials, alternatives or other opportunities). Nevertheless, these investments will always be a minority.
  Both the UCI held and their constituent financial instruments may be denominated in any currency and may or may not be hedged against foreign exchange risk, depending on the asset manager's expectations in terms of market trends. The financial instruments of these UCI may be issued by issuers in different regions of the world, including the emerging countries.

- Authorised transactions involving financial derivatives:
  The sub-fund may also, provided the legal rules in force are observed, use derivative products such as options, futures, interest rate and currency swaps, performance swaps, volatility swaps and forward exchange transactions **both for investment and hedging purposes. Investors should be aware that these types of derivative products are more volatile than the underlying products.**

- Characteristics of bonds and debt securities:
  The fixed or variable income securities held by the UCI in position will be issued principally by reputedly good quality issuers (investment grade: minimum BBB- and/or Baa3). The sub-fund may, however, hold UCI investing in high-yield bonds (rated below BBB- and/or Baa3) on an ancillary basis.
  The bonds of the UCI in position will be issued principally by governments, supranational institutions, the public sector and/or the private sector. On an ancillary basis, the fixed or variable income securities may also be issued by emerging States and/or companies, possibly rated less than BBB-and/or Baa3.
  The asset manager may change the overall term of the sub-fund within a range of 2 to 10 years based on its expectations in terms of interest rate trends.

- Description of the general exchange risk hedging strategy:
  The sub-fund does not intend to systematically hedge against exchange risk exposure.

- Social, ethical and environmental aspects:
  The sub-fund's investment policy is not particularly based on social, ethical or environmental criteria. Nevertheless, the sub-fund will not invest in the shares of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs and/or depleted uranium weapons.

- The investment policy seeks to ensure the diversification of the portfolio risks. Net asset value trends are however uncertain since the net asset value is subject to the different types of risk listed below. **There may therefore be relatively high volatility in its price**.

Specific risks:
The risk levels specific to the fund shown in the table below may be higher or lower, i.e.: Low (1), Medium (2), High (3)

List of risks:	*Level*
Risk relating to **capital**	3
Risk arising from **derivative products**	3
Equity risk	3
Interest rate risk	3
Credit risk	3
Foreign exchange risk	3
Emerging countries risk	3
Performance risk	3
Inflation risk	2
Settlement risk	2
Counterparty risk	2
Commodities risk	1
Volatility risk	1
Liquidity risk	1
Risk related to **external** factors	1

Investors are reminded the capital is neither guaranteed nor protected, that the value of their investment may go down as well as up and that they may not therefore receive back the full amount invested.

Risk profile of the typical investor:
This sub-fund is aimed at any natural or legal person that is sufficiently aware of the inherent risks in equity and bond markets, who understands the type of risk entailed in the sub-fund and who accepts this on the basis of their investor profile.

Investment holding period:
The fund may not be suitable for investors intending to withdraw their investment within five years.

Belfius Fullinvest Low

Date of creation: 22/11/1991

Term: Unlimited term

Objectives of the sub-fund:
The objective of the sub-fund is to enable shareholders to benefit from trends on the financial markets through a portfolio principally made up of undertakings for collective investment (UCI) that aim to offer a broad diversification (notably via equities and bonds of different countries and sectors). The sub-fund will focus on investments in bond UCI.

Sub-fund's investment policy:

- Authorised asset classes:
  The assets of this sub-fund will be invested principally in units in Belgian UCI and/or foreign UCI of the open-ended type.
  The sub-fund's assets may also be invested, on an ancillary basis, in the other asset classes mentioned in the articles of association appended to this document. Thus, for example, on an ancillary basis, the assets may be invested in equities, bonds, money market instruments, deposits and/or cash.

- Particular strategy:
  The sub-fund will invest principally in units in Belgian or foreign UCI, which themselves invest essentially in:
  - bonds and/or equivalent securities, such as investment grade bonds, high-yield bonds, mortgage-backed securities, inflation indexed bonds, etc.,
  - equities and/or securities equivalent to equities,
  - and/or cash and money market instruments.

  The quota of assets invested in equity UCI is always the minority and it could be very low, or even zero, according to the manager's expectations of the trend of the financial markets and in order to reduce the risk for the investor.
  In addition, the sub-fund may invest part of its net assets in UCI which follow specific strategies (such as, for instance, raw materials, alternatives or other opportunities). Nevertheless, these investments will always be a minority.
  Both the UCI held and their constituent financial instruments may be denominated in any currency and may or may not be hedged against foreign exchange risk, depending on the asset manager's expectations in terms of market trends. The financial instruments of these UCI may be issued by issuers in different regions of the world, including the emerging countries.

- Authorised transactions involving financial derivatives:
  The sub-fund may also, provided the legal rules in force are observed, use derivative products such as options, futures, interest rate and currency swaps, performance swaps, volatility swaps and forward exchange transactions **both for investment and hedging purposes. Investors should be aware that these types of derivative products are more volatile than the underlying products.**

- Characteristics of bonds and debt securities:
  The fixed or variable income securities held by the UCI in position will be issued principally by reputedly good quality issuers (investment grade: minimum BBB- et/ou Baa3). The sub-fund may, however, hold UCI investing in high-yield bonds (rated below BBB- and/or Baa3) on an ancillary basis.
  The bonds of the UCI in position will be issued principally by governments, supranational institutions, the public sector and/or the private sector. On an ancillary basis, the fixed or variable income securities may also be issued by emerging States and/or companies, possibly rated less than BBB-and/or Baa3.
  The asset manager may change the overall term of the sub-fund within a range of 2 to 10 years based on its expectations in terms of interest rate trends.

- Description of the general exchange risk hedging strategy:
  The sub-fund does not intend to systematically hedge against exchange risk exposure.

- Social, ethical and environmental aspects:
  The sub-fund's investment policy is not particularly based on social, ethical or environmental criteria. Nevertheless, the sub-fund will not invest in the shares of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs and/or depleted uranium weapons.

- The investment policy seeks to ensure the diversification of the portfolio risks. Net asset value trends are however uncertain since the net asset value is subject to the different types of risk listed below. **There may therefore be relatively high volatility in its price**.

Specific risks:
The risk levels specific to the fund shown in the table below may be higher or lower, i.e.: Low (1), Medium (2), High (3)

List of risks:	***Level***
Risk relating to **capital**	3
Risk arising from **derivative products**	3
Equity risk	3
Interest rate risk	3
Credit risk	3
Foreign exchange risk	3
Emerging countries risk	3
Performance risk	3
Inflation risk	2
Settlement risk	2
Counterparty risk	2
Commodities risk	1
Volatility risk	1
Liquidity risk	1
Risk related to **external** factors	1

Investors are reminded the capital is neither guaranteed nor protected, that the value of their investment may go down as well as up and that they may not therefore receive back the full amount invested.

Risk profile of the typical investor:
This sub-fund is aimed at any natural or legal person that is sufficiently aware of the inherent risk in equity and bond markets, who understands the type of risk entailed in the sub-fund and who accepts this on the basis of their investor profile.

Investment holding period:
The fund may not be suitable for investors intending to withdraw their investment within three years.

Belfius Fullinvest Medium

Date of creation: 22/11/1991

Term: Unlimited term

Objectives of the sub-fund:
The objective of the sub-fund is to enable shareholders to benefit from trends on the financial markets through a portfolio principally made up of undertakings for collective investment (UCI) that aim to offer a broad diversification (notably via equities and bonds of different countries and sectors). The sub-fund will focus on a balance between investments in bond UCI and investments in equity UCI.

Sub-fund's investment policy:

- Authorised asset classes:
  The assets of this sub-fund will be invested principally in units in Belgian UCI and/or foreign UCI of the open-ended type.
  The sub-fund's assets may also be invested, on an ancillary basis, in the other asset classes mentioned in the articles of association appended to this document. Thus, for example, on an ancillary basis, the assets may be invested in equities, bonds, money market instruments, deposits and/or cash.

- Particular strategy:
  The sub-fund will invest principally in units in Belgian or foreign UCI, which themselves invest essentially in:
  - bonds and/or equivalent securities, such as investment grade bonds, high-yield bonds, mortgage-backed securities, inflation indexed bonds, etc.,
  - equities and/or securities equivalent to equities,
  - and/or cash and money market instruments.

  The quota of assets invested in equity UCI may be the majority, or the minority and it could be very low, or even zero, according to the manager's expectations of the trend of the financial markets and in order to reduce the risk for the investor.
  In addition, the sub-fund may invest part of its net assets in UCI which follow specific strategies (such as, for instance, raw materials, alternatives or other opportunities). Nevertheless, these investments will always be a minority.
  Both the UCI held and their constituent financial instruments may be denominated in any currency and may or may not be hedged against foreign exchange risk, depending on the asset manager's expectations in terms of market trends. The financial instruments of these UCI may be issued by issuers in different regions of the world, including the emerging countries.

- Authorised transactions involving financial derivatives:
  The sub-fund may also, provided the legal rules in force are observed, use derivative products such as options, futures, interest rate and currency swaps, performance swaps, volatility swaps and forward exchange transactions **both for investment and hedging purposes. Investors should be aware that these types of derivative products are more volatile than the underlying products.**

- Characteristics of bonds and debt securities:
  The fixed or variable income securities held by the UCI in position will be issued principally by reputedly good quality issuers (investment grade: minimum BBB- et/ou Baa3). The sub-fund may, however, hold UCI investing in high-yield bonds (rated below BBB- and/or Baa3) on an ancillary basis.
  The bonds of the UCI in position will be issued principally by governments, supranational institutions, the public sector and/or the private sector. On an ancillary basis, the fixed or variable income securities may also be issued by emerging States and/or companies, possibly rated less than BBB-and/or Baa3.
  The asset manager may change the overall term of the sub-fund within a range of 2 to 10 years based on its expectations in terms of interest rate trends.

- Description of the general exchange risk hedging strategy:
  The sub-fund does not intend to systematically hedge against exchange risk exposure.

- Social, ethical and environmental aspects:
  The sub-fund's investment policy is not particularly based on social, ethical or environmental criteria. Nevertheless, the sub-fund will not invest in the shares of a company that manufactures, uses or possesses anti-personnel mines, cluster bombs and/or depleted uranium weapons.

- The investment policy seeks to ensure the diversification of the portfolio risks. Net asset value trends are however uncertain since the net asset value is subject to the different types of risk listed below. **There may therefore be relatively high volatility in its price**.

Specific risks:
The risk levels specific to the fund shown in the table below may be higher or lower, i.e.: Low (1), Medium (2), High (3)

List of risks:	***Level***
Risk relating to **capital**	3
Risk arising from **derivative products**	3
Equity risk	3
Interest rate risk	3
Credit risk	3
Foreign exchange risk	3
Emerging countries risk	3
Performance risk	3
Inflation risk	2
Settlement risk	2
Counterparty risk	2
Commodities risk	1
Volatility risk	1
Liquidity risk	1
Risk related to **external** factors	1

Investors are reminded the capital is neither guaranteed nor protected, that the value of their investment may go down as well as up and that they may not therefore receive back the full amount invested.

Risk profile of the typical investor:
This sub-fund is aimed at any natural or legal person that is sufficiently aware of the inherent risk in equity and bond markets, who understands the type of risk entailed in the sub-fund and who accepts this on the basis of their investor profile.

Investment holding period:
The fund may not be suitable for investors intending to withdraw their investment within four years.