

KEY INFORMATION FOR THE INVESTOR

This document provides key investor information about this UCITS. It is not a promotional document. The information is required by law, to help you understand the nature and risks of investing in this UCITS. You are advised to read it so you can make an informed decision on whether to invest or not.

JL SMART EQUITY – Share Class A

ISIN Code: FR0012443216

UCITS managed by John Locke Investments S.A.

Investment aims and policy

Classification of the UCITS: International shares.

The management objective of the JL Smart Equity fund is to achieve a performance net of all management fees higher than that of the STOXX® Europe 600 Net Return EUR index (reinvested dividends), on the recommended investment horizon greater than 5 years.

The fund will be exposed to the equity market of the countries of the European Union and Switzerland, with an exposure level between 90% and 200% of its assets. The fund may be exposed in shares that are not part of the benchmark indicator.

The fund's strategy is based on a systematic management process based on a "momentum" type quantitative model aimed at overweighting or underweighting certain styles of its investment universe relative to those of the benchmark indicator. The investment policy is based on a systematic selection of paper security shares and a daily calculation of their weighting in the fund, enabling the management styles which have performed the best in the recent past to be overweighted (for instance, large capitalization or small capitalization style, "Value" or "Growth" style, low volatility or high volatility styles, etc.).

The final securities portfolio may move away from its benchmark indicator, in terms of shares, of geographical areas, of styles, etc.

The fund will be mainly exposed to shares of large and medium capitalization companies and may be exposed to small capitalizations on an ancillary basis. The shares of capitalizations below 1 billion Euros may not represent more than 25% of the portfolio.

The fund will not hedge the exchange rate risk. The fund's exposure to this risk may not exceed 60% of its net assets.

To implement its equity exposure, the fund may use either securities, simple forward financial instruments such as forward contracts or Equity Swaps (EQS) traded over the counter, enabling the fund to obtain the performance of a share or a basket of shares and to pay the risk-free currency rate.

When the fund is exposed to shares through EQS, its assets will be invested up to the limit of 90% of its assets in money market instruments or in short-term debt securities and, within the limit of 10%, in UCITS. Exposure linked to fixed-income instruments will remain ancillary.

These securities are either government bonds or private sector issues with a maturity less than two years. The rating given to these instruments as a result of the analysis performed by the management company will be situated in the upper levels of the Investment Grade. The latter conducts its own analysis of the credit quality of its issuers and does not exclusively and mechanically use the rating provided by the agencies.

Other information:

Subscription/Redemption methods: The net asset value is calculated on a weekly basis every Friday (D) that is a working day and not a holiday of the Paris stock exchange.

Applications for subscription and redemption of shares are accepted at the latest at D-1 at 12:00 at RBC Investor Services and are carried out on the basis of the next net asset value with a period of payment/delivery at D +3

Recommendation: this fund may not be appropriate for investors planning to withdraw their money less than five years after their investment.

Dividends policy: Capitalisation

Risk and return profile



The UCITS has a grade 6 risk. This indicator reflects the fund's exposure over a period of at least 5 years to the equity markets on which it is positioned through the strategy developed by the management company. The historical data used to calculate this indicator may not be reliable indicators of the future risk profile of the fund.

- The risk grade associated with this Fund is not guaranteed and may vary over time.

- The lowest grade is not synonymous with a no-risk investment.
- The capital initially invested does not benefit from any guarantee.

The major risks for the Fund not taken into account in this indicator and which may result in a reduction of its valuation are as follows:

- **Counterparty risk:** this represents the risk of bankruptcy of a counterparty used by the Fund which would be unable to honour the assets, securities or cash or the commitments made with the Fund.

For further information on the risk profile and its main contributing factors, please refer to the prospectus.

Costs

Costs and fees paid serve to cover the Fund's operating costs, including share marketing and distribution costs. These costs reduce the potential growth of investments.

Specific costs deducted before or after investment	
Entry costs	3% maximum
Withdrawal costs	0%
These rates correspond to the maximum percentage that may be deducted from your capital before it is invested (entry) or disinvested (withdrawal).	
Costs deducted by the Fund over a year	
Ongoing costs	2.0% of the net assets
One-time costs deducted by the Fund in certain circumstances	
Incentive fee	15% of the outperformance net of costs of the fund above the Stoxx Europe 600 (reinvested dividends) in the case that the Fund NAV has exceeded the high water mark. For 2016, performance fees for Class A were 0.34%.

The **entry** and **withdrawal costs** shown are the maximum costs applicable. In certain cases, the costs paid may be lower.

Investors may find out the actual entry and withdrawal costs from their advisors or distributors.

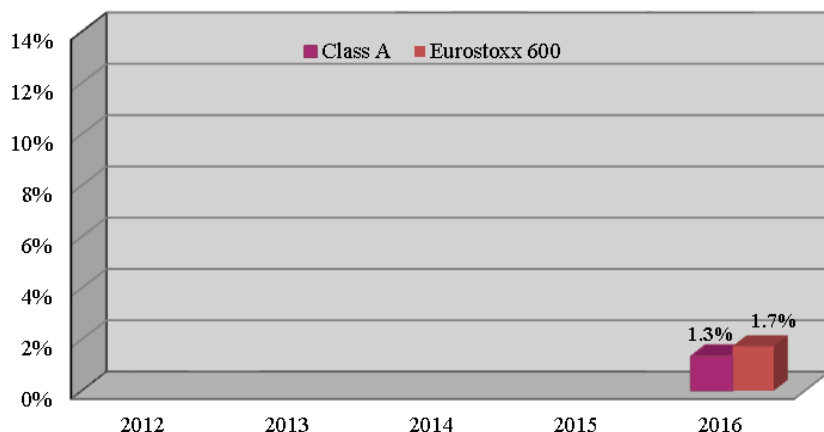
The **ongoing costs** are based on an estimation of the costs that will be deducted for the 1st financial year. The percentage may vary from one financial year to the next. They exclude:

- incentive fees
- intermediation fees, except entry and withdrawal costs paid by the UCITS when buying or selling shares in a different UCITS.

For more information on costs, investors may refer to the "Costs and Fees" section of the Fund prospectus available on simple request from the management company.

Past performance

Unit Class A Annual Performance, net of all costs



This UCITS was created on 31 December, 2015.

Performance presented in this diagram is that of Share Class A of the Fund since its creation, calculated taking into account all costs and the net income reinvested.

It is calculated on the basis of the net asset values stated in Euros.

The Fund's past performance is not constant over time and does not reflect its future performance.

Practical information

- The JL Smart Equity Fund's custodian is RBC Investor Services Bank France S.A.
- The prospectus, the annual reports and the latest periodic documents and all other practical information are available from **John Locke Investments S.A.** - 38, Avenue Franklin Roosevelt - 77 210 Fontainebleau-Avon - E-mail: contact@jl-investments.com - Tel.: + 33 1 64 70 40 40 - Fax: + 33 1 60 74 99 38
- The net asset value is published on the management company's website at the following address: www.jl-investments.com
- Depending on your tax regime, any capital gains and income connected with the holding of shares in UCITS may be subject to taxation. You are advised to obtain information on this matter from your tax adviser.
- John Locke Investments may only be held liable based on any declarations contained in this document found to be deceitful, incorrect or inconsistent with the corresponding parts of the Fund prospectus.

This Fund is approved in France and regulated by the Autorité des Marchés Financiers (AMF).

The John Locke Investments company is approved in France and is regulated by the Autorité des Marchés Financiers (AMF).

The key information for the investor supplied here is correct and up-to-date as at 15th February 2017.

UCITS COMPLYING WITH
EUROPEAN DIRECTIVE 2009/65/EC

JL SMART EQUITY

MUTUAL FUND

PROSPECTUS

JL SMART EQUITY PROSPECTUS

I. GENERAL CHARACTERISTICS

Form of the UCITS

- **Name:** JL Smart Equity (the "Fund")
- **Legal form and Member State in which the UCITS was created:** Mutual Fund ("FCP") under French law
- **Date of creation and planned duration of existence:** 2 November 2015, for a period of 99 years
- **Summary of the management offer:**

Share Class	Isin Code	Subscribers concerned	Distribution of income	Currency of denomination	Frequency of calculation of the NAV	Minimum initial subscription
Share Class A	FR0012443216	All subscribers	Capitalization	Euro (€)	Weekly	€ 100,000

Indication of the place where the latest annual report and the latest periodic statement may be obtained:

The latest annual and periodic documents are sent within a period of one week of receipt of a written request made by the shareholder to:

**John Locke Investments S.A.
38, Avenue Franklin Roosevelt
77210 FONTAINEBLEAU-AVON**

The prospectus is also available on the website www.jl-investments.com. Additional explanations may also be obtained from the management company (tel.: + 33 1 64 70 40 40) or by e-mail at the following address: contact@jl-investments.com

II. STAKEHOLDERS

Management Company:	John Locke Investments S.A. (the "Management Company") Public limited liability company whose activities comprise the management of portfolios on behalf of third parties, approved by the Autorité des Marchés Financiers under No. GP 04000064 Registered office: 4, Rue Galvani, 75017 PARIS
Custodian, Account Keeper and the share register of the FCP:	Establishment in charge of keeping the Issue accounts and Establishment in charge of RBC Investor Services Bank France S.A. Registered office: 105, Rue Réaumur, 75002 PARIS
Auditor:	Deloitte & Associés Registered office: 185, Avenue Charles de Gaulle, 92524 NEUILLY sur SEINE Signatory: Jean-Marc Lecat
Marketer:	John Locke Investments S.A.
Representatives:	<u>Administrative and accounting management:</u> RBC Investor Services France S.A. 105, Rue Réaumur, 75002 PARIS
Advisers:	N/A
Subscription and redemption order centralizer:	RBC Investor Services Bank France S.A.

III. OPERATING AND MANAGEMENT PROCEDURES

III-1 GENERAL CHARACTERISTICS

Characteristics of the shares:

- Nature of the rights attached to share classes: Each shareholder has a right of joint ownership over the Fund's assets proportional to the number of shares owned.
- Entry in a register: centralization of subscriptions and redemptions by the custodian, who is also responsible for keeping a record of the liabilities. The shares of the Fund are admitted on Euroclear France.
- Voting rights: No voting rights are attached to the shares, decisions concerning the Fund being taken by the Management Company.
- Form of the shares: Bearer
- Division: Thousandths of shares

Date and financial year closing: Last working day of the month of December. The 1st financial year shall be closed on 31 December 2016.

Taxation: The Fund is not subject to tax as such. However, shareholders are subject to taxation on the sums distributed or gains. The tax system applicable to sums distributed by the Fund or to latent gains or to gains realized by the Fund depends on the investor's particular situation. In the event of doubt over his tax situation, the investor should contact an advisor or a professional. Certain gains distributed by the Fund to non-residents in France may give rise to a withholding at source in certain cases.

III-2 SPECIAL PROVISIONS

Isin Code: Share Class A: FR0012443216

Classification: International shares

Delegation of financial management: No

Management objective: The management objective of the JL Smart Equity fund is to achieve a performance net of all management fees higher than that of the STOXX® Europe 600 Net Return EUR index (reinvested dividends), on the recommended investment horizon greater than 5 years.

Benchmark indicator: The performance is compared to changes in the STOXX® Europe 600 Net Return EUR index. The index is the global reference of the European markets. It is comprised of 600 values selected among 16 countries in the Euro Zone as well as the United Kingdom, Denmark, Switzerland, Norway and Sweden. Codes: ISIN: EU0009658210 Reuters: STOXXR; Bloomberg: SXXR Index; the benchmark indicator is stated in Euros.

The performance of the STOXX® Europe 600 Net Return EUR indicator includes the dividends generated by the shares that comprise the indicator: www.stoxx.com.

The Fund does not aim to precisely replicate the performance of the index. It makes investments based on criteria that may lead to significant deviations relative to the behaviour of the index. Investments in companies are made according the weightings that are not based on each company's relative weight in the index.

Investment strategy:

The fund will be exposed to the equity market of the countries of the European Union and Switzerland, with an exposure level between 90% and 200% of its assets. The fund may be exposed in shares that are not part of the benchmark indicator.

The fund's strategy is based on a systematic management process based on a "momentum" type quantitative model aimed at overweighting or underweighting certain styles of its investment universe relative to those of the benchmark indicator. The investment policy is based on a systematic selection of paper security shares from among the management styles which have performed the best in the recent past (for instance, large capitalization or small capitalization style, "Value" or "Growth" style, low volatility or high volatility styles, etc.).

The final securities portfolio may move away from its benchmark indicator, in terms of shares, of geographical areas, of industries, of styles, etc.

For instance, the Fund may take long positions on a group of shares corresponding to the largest companies in the investment universe if this strategy worked better in the recent past than that which consisted of taking long position on a group of shares corresponding to the smallest companies in the investment universe. These are "momentum" strategies inasmuch as that they seek to buy management styles that have historically outperformed. Different management styles are used: for instance, large capitalization or small capitalization styles, "Value" or "Growth" styles, low volatility or high volatility styles, etc.

The fund will be mainly exposed to shares of large and medium capitalization companies and may be exposed to small capitalizations on an ancillary basis. The shares of capitalizations below 1 billion Euros may not represent more than 25% of the portfolio. The investment universe is filtered down to just the underlying shares considered sufficiently liquid by the management team.

The fund will not hedge the exchange rate risk on the pound sterling (UK) and the Swiss Franc. The Fund's exposure to this risk may not exceed 60% of its net assets.

To implement its equity exposure, the fund may use either paper securities, simple forward financial instruments such as forward contracts or Equity Swaps (EQS) traded over the counter, enabling the fund to obtain the performance of a share or a basket of shares and to pay the risk-free currency rate.

When the fund is exposed to shares through EQS, its assets will be invested up to the limit of 90% of its assets in money market instruments or in short-term debt securities and, within the limit of 10%, in UCITS. Exposure linked to fixed-income instruments will remain ancillary.

These securities are either government bonds or private sector issues with a maturity less than two years. The rating given to these instruments as a result of the analysis performed by the management company will be situated in the upper levels of the Investment Grade. The latter conducts its own analysis of the credit quality of its issuers and does not exclusively and mechanically use the rating provided by the agencies.

THE UCITS may be used to pay the cash and cash equivalents, as diversification.

A. Tools used

The process of intervention is based on proprietary mathematical and statistical tools using the daily historical data of the shares that are based on an advanced IT platform, developed internally by the management company's teams, enabling the management styles to be adjusted on the basis of the opportunities that arise in the markets.

B. Categories of assets and instruments used

1. Shares (excluding integrated derivatives):

Up to the entirety of its assets with a minimum exposure of 90% of its net assets: all industries, all capitalizations, including small capitalizations on an ancillary basis, in the European or Swiss zones, traded on a regulated market. Thus, shares of capitalizations below 1 billion Euros may not represent more than 25% of the portfolio.

2. Debt securities and money market instruments:

For cash management purposes, the Fund may invest up to 100% of its net assets in short-term negotiable money market instruments and debt securities (maturity less than two years) issued by public entities or entities whose registered office or principal establishment is situated in a member country of the OECD. These securities are either government debt or private sector issues, with no predefined distribution between public and private debt. The rating given to these investments as a result of the analysis performed by the management company will be situated in the upper part of the Investment Grade. The latter conducts its own analysis of the credit quality of the issuers.

More specifically, the money market instruments and debt securities used are essentially certificates of deposit, Euro Commercial Paper (ECP), short-term bonds, negotiable debt securities (NDS), French Treasury bills and fixed-income instruments issued by public entities in the OECD area with a maturity of less than 2 years.

3. Shares or units of UCITS:

To achieve its management objective, the Fund may invest up to 10% of its net assets in units or shares in French or foreign UCITS or FIA authorized for investment in France (and which can be managed by John Locke

Investments) or in investment funds established on the basis of foreign law compliant with the criteria of Article R214-13 of the Monetary and Financial Code.

4. Derivatives:

To pursue the management objective, the Fund may use up to 100% of its net assets in forward financial instruments (Equity Swaps, index forward contracts) traded on regulated markets or over the counter, whether French or foreign, for the purpose of exposing itself or covering itself against the equity risk exposure, which may generate a global exposure of the Fund up to 200% of its net assets.

The contracts for these financial instruments will be entered into with one or several leading lending institutions, according to the Management Company's analysis.

5. Securities with embedded derivatives:

N/A

6. Deposits:

The Fund may make deposits of up to 100% of its net assets with lending institutions under the conditions laid down by Article R. 214-3 of the Monetary and Financial Code, in order to optimize its cash management.

7. Cash borrowings :

The Fund may borrow cash up to a limit of 10% of its net assets, either to provide additional liquidity in connection with redemptions or to meet cash discrepancies in connection with subscriptions.

8. Temporary sales and purchases of securities:

N/A.

9. Contractual financial guarantees:

In all cases where the investment strategy causes the Fund to bear a counterparty risk, including through the Fund's use of EQS traded over the counter, it may receive cash or securities considered to be guarantees for the purpose of reducing the counterparty risk linked to such transactions. The portfolio of guarantees received may be adjusted on a daily basis in order to ensure that the Fund's counterparty risk complies with regulatory ratios. The adjustment aims to ensure that the counterparty risk level borne by the Fund is fully neutralized. Any financial guarantee received by the Fund shall be given in full ownership to the Fund and delivered on the account of the Fund opened in the books of its custodian. Any financial guarantee received by the Fund in this framework must meet the criteria defined by the laws and regulations in force, namely in terms of liquidity, of valuation, of issuer credit quality, of correlation, of risks linked to the management of the guarantees, and of applicability. The guarantees received must comply with the following conditions in particular:

- a. any guarantee received must be of high quality, highly liquid and traded on a regulated market or a multilateral trading system with transparent pricing in order to be sold quickly at a price close to the prior valuation;
- b. they must be valued at least on a daily basis and the assets with high price volatility must not be accepted as guarantees except in the case of the application of a sufficiently prudent writedown;
- c. they must be issued by an entity which is entirely independent from the counterparty and must not be highly correlated with the performance of the counterparty;
- d. they must be sufficiently diversified in terms of country, markets and issuers with a maximum exposure per issuer of 20% of the Fund's net asset value;
- e. they must at all times be able to be fully used by the Fund's Management Company without consultation with or prior approval from the counterparty.

Notwithstanding the condition set out in (d) (above), the Fund may receive a basket of financial guarantees with exposure to a given issuer above 20% of its net asset value, provided that:

- . The financial guarantees are issued either by (i) a Member State, (ii) one or more of its local authorities, (iii) a third country or (iv) an international public body to which one or several Member States belong;
- . And that such guarantees come from at least six different issues, none of which may exceed 30% of the Fund's assets.

Risk profile

The Fund is invested primarily in financial instruments selected by the Management Company. These instruments will follow the ups and downs in financial markets. The main risks to which investors subscribing units of the Fund are exposed are:

Risk of capital loss

The Fund enjoys no guarantee and offers no protection. As a result, the capital initially invested may not be fully returned. Exposure to this risk may decrease the Fund's net asset value.

Equity market risk

The Fund is exposed up to 90% to 200% of its assets on one or more equity markets which may change significantly. The equity risk corresponds to a decline in the equity markets; the Fund being exposed in shares, the net asset value may drop significantly if the equity markets fall.

Risk linked to holding medium and small securities:

Due to its management orientation, the Fund may be exposed to small and medium capitalizations which, given their specific characteristics, may present a liquidity risk. Due to the narrowness of the market, upward and downward changes in these securities are more marked, and may result in increased volatility of the net asset value. Nevertheless, investment in small capitalization companies shall remain limited and be performed on an ancillary basis.

Counterparty risk

This is the risk of potential bankruptcy of a counterparty used by the Fund which would no longer be able to honour the assets, securities or cash, or the commitments made with the Fund.

The Fund is exposed to the counterparty risk resulting from the use of forward financial instruments, namely Swaps entered into over the counter.

Subscribers' attention is drawn to the fact that this risk may decrease the Fund's net asset value if the institution or institutions is/are unable to honour their commitments under said instruments.

Foreign exchange risk

The Fund will be subject to changes in the currencies of the underlying financial instruments if they are not stated in Euros. Depending on the Fund's exposure to each currency, the changes in foreign exchange markets may have an impact on the Fund's performance.

The Fund's maximum exposure to the foreign exchange risk shall be 60% of the net assets.

Credit risk

This is the risk of issuers (public or private companies, governments, etc.) not being solvent, i.e., potentially unable to honour their financial obligations and repay the loans issued by them in a timely manner. Issuers selected by the Fund will be positioned in the upper part of the "Investment Grade", according to the Management Company's analysis. Exposure to this risk may decrease the Fund's net asset value, although it shall remain ancillary.

Interest rate risk

The interest rate risk is the risk of a decrease in the value of the assets under management in the event of changes in interest rates.

Nevertheless, the entire portfolio is invested in interest rate products whose sensitivity is less than two years, therefore enabling this risk to be minimized. The Fund's exposure to the interest rate risk shall remain ancillary.

Guarantee or protection: N/A (neither the capital nor a performance level are guaranteed.)

IV. SUBSCRIBERS AND UNIT CLASSES

Subscribers concerned	The Fund is aimed at all subscribers. The minimum amount of the first subscription is fixed at € 100,000.
Investor profile	The Fund is intended for investors looking for exposure on international equity markets. The amount which it is reasonable to invest in this Fund depends on the investor's personal situation. In order to determine that, the unit holder is advised to obtain advice from a professional, in order to diversify his investments and to determine the proportion of his financial portfolio or of his capital to invest in this Fund, having regard to the recommended investment period and the exposure to the risks described above, his personal wealth, his requirements and his own objectives.
Recommended investment period	5 years minimum
Appropriation of income	Pursuant to the legal provisions, the net result for the financial year is equal to the amount of interest, arrears, premiums and lots, dividends, attendance fees and any other proceeds relating to securities forming the Fund's portfolio, plus the proceeds of sums temporarily available and minus the amount of management fees and the cost of borrowings. The sums distributable are equal to the net result plus the carryover and plus or minus the balance of the adjustment account for income relating to the financial year ended. Fund is a <u>pure capitalization</u> fund: the sums distributable are fully capitalized except for those for which distribution is mandatory by law.
Currency of denomination	Unit Class A: Euros (€)
Characteristics of the units	Bearer. The units are listed on Euroclear France.
Decimalization	Thousandths of units

V. SUBSCRIPTION AND REDEMPTION PROCEDURE

Subscription conditions	It is recommended that subscriptions be carried out through the EUROCLEAR system. Subscription requests are pooled on D-1 before 12:00 (D being the net asset valuation date) at RBC Investor Services Bank France SA (105 Rue Réaumur – 75002 PARIS), carried out based on the next net asset value (D) and settled at D+3. When subscription requests are made for registered shares, the funds must be received by RBC before 12:00 at D -1, so that the units may be issued on the net asset value of D. Subscription or redemption orders may be denominated in cash or number of units.
Date and frequency of calculation of the net asset value	The net asset value is calculated weekly on Friday (D), apart from French public holidays and the closing days of the Paris stock market and French (application of the Euronext Paris SA official calendar) market closing days. It is calculated and published on D+1.
Minimum amount of subscription	Unit Class A: € 100,000
Place and methods of publication of the net asset value	The net asset value is equal to the value of the net assets divided by the total number of units and is available from the John Locke Investments S.A. Management Company and on the website www.jl-investments.com

VI. CHARGES AND FEES

Subscription and redemption fees: The subscription and redemption fees increase the subscription price paid by the investor or reduce the redemption price. The fees accruing to the Fund are used to offset the costs borne by the Fund to invest or disinvest the assets under management. Non-accruing fees revert to the Management Company, marketer, etc.

Costs borne by the investor, deducted on subscriptions and redemptions	Base	Scale rates (all taxes included)
Subscription fee not accruing to the UCITS	Net asset value x number of units	Maximum 3%
Subscription fee accruing to the UCITS	Net asset value x number of units	N/A
Redemption fee not accruing to the UCITS	Net asset value x number of units	N/A
Redemption fee not accruing to the UCITS	Net asset value x number of units	N/A

Exemption: In the event of subscriptions and redemptions of the same number of units made on the same day by the same unit holder and on the same net asset value, the transaction shall not incur a fee.

Operating and management fees These include all fees charged directly to the Fund, except for intermediation fees. However, intermediation fees include intermediation fees (brokerage fees, stock exchange taxes, etc.) and any transaction fees charged in particular by the Custodian and the Management Company.

In addition to the operating and management fees, the following may be charged:

- performance fees which remunerate the Management Company when the Fund exceeds its targets. They are therefore charged to the Fund;
- transaction fees charged to the Fund.

The revenue from the temporary purchase and sale of securities accrues in its entirety to the UCITS.

Fees charged to the UCITS	Base	Scale rates
Management fees	Net assets	1.5 % maximum all taxes included
Management fees outside the company (CAC, custodian, valuer, distribution, etc.)	Net assets	0.5 % maximum all taxes included
Maximum indirect fees (management costs and fees)	Net assets	0.5 % maximum all taxes included
Switch fees: Custodian	Deduction on each transaction	The scale is determined by the place of the transaction (approximately 50 EUR per transaction on shares or NDS) and 50 Euros on all daily transactions on EQS
Performance fee	Net assets	15 % all taxes included of the performance net of fees of the Fund over the STOXX® Europe 600 Net Return - reinvested dividends.

Method for calculating the performance fee:

The performance fee is calculated as a percentage of the outperformance of the Fund. Two conditions must be fulfilled for the provisioning of a performance fee:

- (i) the performance net of costs of the Fund during the period of the financial year of the Fund must exceed that of the reference index, STOXX® Europe 600 Net Return Eur – reinvested dividends (ISIN Code: EU0009658210) over the same period,
- (ii) the Fund's net asset value (including accrued performance costs) must be greater than that of the last date on which a performance fee was paid by the Fund (reference threshold), according to the "High Water Mark" principle.

Where it is positive, the performance fee is provisioned on each net asset valuation date.

It is settled on an annual basis on each date of financial closing of the Fund (1st closing 31 December 2016).
The adjustment of the provision between two net asset values is conducted by allocation or recovery.

The variable management fee provision account is reinitialized at the start of the financial year. The performance fee will only be provisioned again when the Fund's net asset value exceeds the reference threshold.
In the event of a redemption, the portion provisioned accrues to the Management Company.
The performance fee is directly attributed to the Fund's profit and loss account.

Short description of the procedure for choosing intermediaries

The intermediaries or counterparties which the Fund uses are selected by the Management Company based on their repute, their financial strength, and their speed but also on the basis of the quality of processing and carrying out operations, research, and intermediation costs.

VII. COMMERCIAL INFORMATION

Circulation of information on the redemption and reimbursement of shares

The redemption and reimbursement of shares shall be effected with the custodian.

Circulation of information on the Fund

All Fund unit holders receive full information on the behaviour of the Fund by means of annual and periodic reports whose content and form comply with the applicable regulations.

The Management Company's Customer Service periodically produces a summary of the performance, portfolio distribution, exposure and volatility of the Fund.

The modifications or conversions which are required to be notified to unit holders shall be circulated to each identified unit holder or through Euroclear France for unidentified unit holders in the form of an information letter.

The modifications or conversions which are not required to be notified to unit holders shall be communicated either in the Fund's periodic documents, available from the Management Company or the custodian, or through the press, or through the Management Company's website (contact@jl-investments.com), or by any other means in accordance with the regulations of the *Autorité des Marchés Financiers*.

Information on the ESG criteria (environmental, social and quality of governance)

Additional information on the methods used by the Fund to take into account the ESG criteria will be available in the Mutual Fund's annual report.

The Fund's net asset value is available from the Management Company.

The full prospectus of the JL Smart Equity Mutual Fund and the latest annual and periodic documents will be sent within one week on written request made by the unit holder to:

John Locke Investments S.A.
38, Avenue Franklin Roosevelt - 77210 FONTAINEBLEAU-AVON
E-mail: contact@jl-investments.com
Tel.: + 33 1 64 70 40 40

The AMF website (www.amf-france.org) contains additional information on the list of regulatory documents and all provisions concerning the protection of investors.

VIII. INVESTMENT RULES

Observance of investment limits

The Fund is subject to the investment rules and to the statutory and regulatory ratios applicable to Funds falling under Directive 2009/65/EC - "UCITS", investing at most 10% of their net assets in units or shares of French or foreign UCITS or in units of FIA complying with the 4 criteria of Article R214-13 of the Monetary and Financial Code. It is also subject to the investment rules and ratios applicable to its "International shares" AMF classification.

Under the provisions of article R. 214-10 of the Monetary and Financial Code, the asset composition rules laid down by the Monetary and Financial Code and the rules on the spread of risks applicable to the Fund must be observed at all times. If these limits are exceeded independently of the Management Company, its primary aim shall be to put the situation back in order as soon as possible taking the Fund unit holders' interests into account.

Monitoring the overall risk

The method used to calculate the portfolio's overall risk is the commitment calculation method.

The calculation of the commitment is carried out by a proprietary tool for monitoring risk positions and measures. The prices used for listed instruments are the official closing prices and theoretical prices for derivatives.

The Risk Control department will also use proprietary tools to perform stress tests in order to analyze the behaviour of the Fund in extreme situation, whether historical or simulated.

IX. ASSET VALUATION AND REPORTING RULES

The Management Company has entrusted the valuation and reporting services relating to the portfolio under management to RBC Investor Services Bank France SA.

The Fund is valued at closing price or settlement price if any.

The Fund has complied with the accounting rules and methods laid down by the regulations in force, and in particular by the UCITS accounting plan.

The annual accounts and risk exposure tables are drawn up based on the last net asset value of the financial year.

In order to determine the net asset values, the portfolio is valued according to the following rules:

A. Financial instruments and forward financial instruments traded on a regulated market

1. Shares and similar securities

French shares and similar securities: closing rate on the valuation day.

Foreign shares and similar securities: closing rate on the valuation day.

2. Debt securities and money market instruments

French bonds and similar securities: closing rate on the valuation day.

Foreign bonds and similar securities: closing rate on the valuation day.

3. Debt securities are valued at current value

Those not the subject of significant transactions are valued by applying an actuarial method.

Negotiable debt securities with a maturity at issue of three months or less are valued by the straight line method on the difference between the acquisition value and the redemption value on the residual maturity.

Negotiable debt securities with a maturity at issue of more than three months but a residual maturity of less than three months are valued by the straight line method on the difference between the last current value taken and the reimbursement value on the residual maturity.

These valuations are adjusted for the issuer risk, applying the conservatism principle.

4. Shares and units in other UCITS or FIA

Shares or units in other UCITS or FIA: closing rate on the valuation day.

5. Forward financial instruments and derivatives

Closed forward contracts: day's settlement price.

Conditional forward contracts: day's settlement price.

Closed forward contracts on the America zone market: day's settlement price.

Conditional forward contracts on the America zone market: day's settlement price.

6. Currencies

Assets and liabilities denominated in a currency other than the reference currency of the accounts: day's exchange rate.

Financial instruments whose price has not been determined on the valuation date or whose price has been adjusted: their probable trading value under the Management Company's responsibility.

The following instruments are valued by applying the following specific methods:

B. Financial instruments and forward financial instruments not traded on a regulated market

1. Shares and similar securities

Shares and similar securities: current value.

2. Debt securities and money market instruments

Debt securities: current value.

3. Units and shares in other UCITS or investment funds

Units or shares in other UCITS or investment funds: last known net asset value.

4. Temporary purchases and sales of securities

Claims representing securities acquired under repurchase agreements: contract value plus interest receivable calculated pro rata temporis.

Securities sold under repurchase agreements: market value; debts representing securities sold under repurchase agreements: contract value plus interest payable calculated pro rata temporis.

Receivables corresponding to securities lent: market value of the securities concerned plus the prorated loan fee.

Securities borrowed and debts corresponding to borrowed securities: market value of the securities concerned plus the prorated loan fee.

5. Swaps

Interest and/or currency swap agreements: market value. However, in case of a finance-backed swap, the security together with its interest and/or currency swap agreement will be valued as a single unit.

6. Foreign exchange futures

Contracts: closing rate on the valuation day.

7. Deposits

Time deposits: contract value determined by the contract conditions. Applying the conservatism principle, the value resulting from this particular method is adjusted for the counterparty bankruptcy risk.

8. Cash borrowings

Borrowings: contract value determined by the contract conditions.

9. Currencies

Assets and liabilities denominated in a currency other than the reference currency of the accounts: day's exchange rate.

Accounting methods

Accounting method applied for booking income from deposits and fixed-income financial instruments: matured coupon basis.

Method of booking acquisition and disposal costs of financial instruments: net of costs.

Method of calculating operating and management costs and variable costs (see fees table in the "Charges and Fees" section, page 11).

Operating and management costs include all expenses, in particular: financial, administrative and accounting management, custodian's fees, audit fees, legal fees, registration fees, AMF contributions, subscriptions to a professional association, distribution costs. These costs do not include trading charges.

UCITS COMPLYING WITH
EUROPEAN DIRECTIVE 2009/65/EC

JL SMART EQUITY

MUTUAL FUND

REGULATIONS

JL SMART EQUITY REGULATIONS

TITLE 1 – ASSETS AND UNITS

Article 1 - Jointly-owned units

The joint-ownership rights are expressed in units, each unit corresponding to the same fraction of the Fund's (or, where appropriate, sub-fund's) assets. Each unit holder has a joint-ownership right to the Fund's assets that is proportional to the number of units owned.

The Fund is constituted for 99 years from its creation (being the date of approval by the French Financial Markets Authority) except in the event of early winding-up or extension provided for in these Regulations.

Article 2 - Minimum amount of assets

Units may not be bought back if the Fund's assets fall below €300,000; if the assets remain below that amount for 30 days, the Management Company will make the arrangements required to liquidate the UCITS concerned, or to perform one of the operations provided for in Article 411-16 of the General Rules of the French Financial Markets Authority (change of UCITS).

Article 3 - Issue and redemption of units

Units may be issued at any time at the request of the unit holder based on their net asset value plus any applicable subscription fees.

Redemptions and subscriptions are carried out under the conditions and according to the procedures defined in the prospectus.

Units in mutual funds may be admitted to listing according to the regulations in force.

Subscriptions must be fully paid-up on the day on which the net asset value is calculated. They may be paid in cash and/or by the contribution of marketable securities. The Management Company has the right to refuse the securities offered and, for that purpose, has a period of seven days after deposit of the securities to announce its decision. If it accepts the securities, they are valued according to the rules laid down in Article 4 and the subscription is made on the basis of the first net asset value following acceptance of the securities concerned.

Redemptions are paid in cash only, except in the event of the winding-up of the Fund when the unit holders have agreed to be paid in securities. They are paid by the issuing custodian within five days of the unit valuation day.

However, if in exceptional circumstances redemption requires prior realization of Fund assets, the payment deadline may be extended to up to 30 days at most.

Except in the case of succession or inter vivos distribution of estate, the donation or transfer of units among unit holders, or from unit holders to a third party, shall be treated as a redemption followed by a subscription; in the case of a third party, the amount of the donation or transfer must, where applicable, be supplemented by the beneficiary to attain at least the minimum subscription amount required by the prospectus.

Pursuant to article L. 214-8-7 of the Monetary and Financial Code, the Fund's redemption of its units and the issue of new units may be suspended temporarily by the Management Company when required by exceptional circumstances and if it is in the interests of the unit holders.

If the net assets of the Fund are less than the regulatory amount, no units may be redeemed.

Minimum subscription requirements may be set in accordance with the terms and conditions set out in the Prospectus.

Article 4 - Calculation of the net asset value

The net asset value of the units is calculated taking the valuation rules set out in the prospectus into account.

Contributions in kind may consist only of securities or contracts that are eligible assets for UCITS; they are valued according to the valuation rules applied to calculate the net asset value.

TITLE 2 – OPERATION OF THE FUND

Article 5 - Management Company

The Fund is managed by the Management Company in accordance with the guidelines defined for the Fund.

The Management Company acts on behalf of the unit holders in all circumstances and is solely entitled to exercise the voting rights attached to the securities held by the Fund.

Article 5 b - Operating rules

The instruments and deposits that are eligible assets for the Fund and the investment rules are described in the prospectus.

Article 6 - Custodian

The Custodian performs the tasks assigned to it by the laws and regulations in force as well as those assigned to it by contract.

It shall notify the French Financial Markets Authority in the event of a dispute with the Management Company.

Article 7 - Auditor

The Management Company's governance body shall appoint an auditor for six financial years subject to the consent of the French Financial Markets Authority.

The auditor shall perform the tasks and audits prescribed by law and in particular shall certify, whenever necessary, the fairness and accounting compliance of the accounts and accounting information contained in the management report.

The auditor may be reappointed.

The auditor shall inform the French Financial Markets Authority and the Fund's Management Company of any irregularities and inaccuracies discovered in the performance of its duties.

The auditor shall supervise the valuations of assets and calculation of exchange ratios for conversions, mergers or demergers.

The auditor shall appraise in-kind contributions and is responsible for drawing up a report on their valuation and remuneration.

The auditor shall certify that the composition of the assets and other items is true and accurate prior to publication.

The auditor's fees shall be set by agreement between it and the board of directors or management board of the Management Company in light of a work programme specifying the tasks deemed necessary.

If the Fund is wound up, the auditor shall value the amount of the assets and draw up a report on the conditions of winding-up.

The auditor shall certify the statements used to calculate interim income distributions.

Article 8 - Accounts and management report

At the end of each financial year, the Management Company shall draw up the summary statements and a report on the management of the Fund during the previous year.

The Management Company shall draw up the inventory of the UCITS' assets under the custodian's supervision at least half-yearly. All the foregoing documents shall be audited by the auditor.

The Management Company shall hold these documents available to unit holders for four months following the end of the financial year and shall notify them of the amount of income accruing to them; these documents shall be sent by post to unit holders at their express request, or made available to them on the Management Company's premises.

TITLE 3 – DIVIDEND POLICY AND PROCEDURES

Article 9 – Result and amounts available for distribution

The net income for the financial year is equal to total interest payments, arrears, dividends, bonuses and lots, attendance fees and any other earnings from securities held in the Fund portfolio plus earnings from sums held as liquid assets, minus management fees and borrowing costs.

The amount available for distribution is equal to the net income for the financial year plus carryovers and plus or minus the balance of accrued income relating to the past financial year.

The Management Company shall decide how income shall be distributed.

The amounts available for distribution shall be fully capitalized except for those subject to mandatory distribution by law. The procedures for the appropriation of profits or losses are specifically described in the Prospectus.

TITLE 4 – MERGER, DEMERGER, WINDING-UP, LIQUIDATION

Article 10 – Merger - Demerger

The Management Company may contribute all or part of the assets held in the Fund to another UCITS managed by it, or split the Fund into two or more new mutual funds which shall be managed by it.

Such merger or demerger operations may be carried out only after the unit holders have been notified thereof. A new statement shall then be issued showing the number of units held by each unit holder.

Article 11 – Winding-up - Extension

Should the Fund's assets remain below the amount specified in Article 2 above for thirty days, the Management Company shall inform the French Financial Markets Authority thereof and shall dissolve the Fund unless it is merged with another mutual fund.

The Management Company may dissolve the Fund ahead of term by informing the unit holders of its decision, from which date subscription and redemption applications shall cease to be accepted.

The Management Company shall also dissolve the Fund in the event of a redemption application for all units, if the custodian is relieved of its duties and no other custodian has been appointed, or upon expiry of the term of the Fund if not extended.

The Management Company shall inform the French Financial Markets Authority by post of the date and procedure adopted for dissolution. It shall then send the French Financial Markets Authority the auditor's report.

The Management Company in agreement with the custodian may decide to extend a Fund. Its decision must be taken at least 3 months prior to the expiry of the term set for the Fund and notified to the unit holders and the French Financial Markets Authority.



Article 12 - Liquidation

If the Fund is wound up, the Management Company or the custodian shall act as liquidator; failing that, the liquidator shall be appointed by the court at the instance of any party with an interest. They shall be vested with the fullest powers of a liquidator to realize the assets, pay any creditors and distribute the available balance among the unit holders in cash or in securities.

The auditor and the custodian shall continue to perform their duties until completion of the liquidation operations.

TITLE 5 - DISPUTES

Article 13 – Jurisdiction - Appointment of official address

Any disputes concerning the Fund that may arise during its existence, or upon its liquidation, either between unit holders or between them and the Management Company or the custodian, shall be subject to the jurisdiction of the competent courts.