



**SIMPLIFIED FUND RULES FOR THE UCITS MANAGED BY ETICA SGR
BELONGING TO “SISTEMA ETICA”**

VALID AS OF 01 July 2019

“VALORI RESPONSABILI” LINE

**Etica Obbligazionario Breve Termine
Etica Obbligazionario Misto
Etica Rendita Bilanciata
Etica Bilanciato
Etica Azionario**

“FUTURI RESPONSABILI” LINE

Etica Impatto Clima

Courtesy translation; Italian version shall prevail

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These rules consist of three sections:

- a) Identification card; (b) Product characteristics; (c) Operating method

These Rules were approved by the administrative body of the asset management company (AMC) which, after verifying compliance with applicable provisions, ascertained that the requirements pursuant to article 37, paragraph 5 of Italian Legislative Decree 58/1998 (Consolidated Financial Services Act - TUF) were met, relative to the general approval of rules for mutual investment funds. Therefore, these Rules were not submitted for specific approval by the Bank of Italy, as they fall within the category for which approval is understood to be generally provided.

A) IDENTIFICATION CARD

<p>Name, type and duration of funds</p>	<p>Ethical UCITS in Euro, with the following names:</p> <p>“VALORI RESPONSABILI” LINE</p> <ul style="list-style-type: none"> ▪ Etica Obbligazionario Breve Termine ▪ Etica Obbligazionario Misto ▪ Etica Rendita Bilanciata ▪ Etica Bilanciato ▪ Etica Azionario <p>“FUTURI RESPONSABILI” LINE</p> <ul style="list-style-type: none"> ▪ Etica Impatto Clima <p>The Funds are characterised by the presence of three unit classes, respectively named “R”, “RD” and “I”, with the exception of the Etica Obbligazionario Breve Termine Fund for which only classes “R” and “I” are considered.</p> <p>The unit classes are differentiated from each other based on the fee structure, destination of profits and access conditions, governed on the basis of the investor's characteristics and subscription method. When not otherwise specified, all references to Fund units contained in these Rules shall be understood to refer to units of any class. All fund units, or all units belonging to the same class, have the same value and equal rights.</p> <p>Each fund is set to end on 31 December 2100, unless specifically extended.</p>
<p>Asset Management Company</p>	<p>Etica Sgr S.p.A. (Società di Gestione del Risparmio, hereafter “AMC”, asset management company), with its registered offices and general headquarters in Milan, in via Napo Torriani 29, Italy, registered with the Bank of Italy Registry pursuant to article 35 of Italian Legislative Decree 58/98, under no. 32 of the UCITS Managers Section.</p> <p>Etica Sgr is subject to management and coordination by Banca Popolare Etica, the parent company of the Banca Popolare Etica Group.</p> <p>The AMC's website is www.eticasgr.com.</p>

Custodian	<p>Banca Popolare di Sondrio S.c.p.a. (hereafter “the Custodian”), with its registered offices and general headquarters in Sondrio, piazza Garibaldi 16, Italy, registered with the Bank of Italy Registry of Banks under no. 5696.0.</p> <p>Activities relative to the Issuing and reimbursement of Fund investment certificates are carried out at the Custodian's registered offices.</p> <p>The Funds' accounting statements are made available to the public at the Custodian's registered offices and its branches and agencies.</p> <p>The Custodian's website is: www.popsos.it</p>
Unit value calculation schedule and reference sources for publication of the value and any changes to the rules	<p>The individual unit value, expressed in Euro, is determined daily, with the exception of the days that the Italian stock exchange is closed and/or Italian national holidays.</p> <p>In these cases, the calculation will be carried out in reference to the first subsequent business day (with “business” meaning a day between Monday and Friday).</p> <p>In any case, the individual unit value relative to the last business day (as defined above) in a year is calculated, even if the Italian stock exchange is closed.</p> <p>The individual unit value is published in the newspaper “Il Sole 24 Ore”.</p> <p>The contents of any changes made to the rules are published in the same newspaper, through a notice.</p>

These rules consist of three sections:

(a) Identification card; (b) Product characteristics; (c) Operating method

B) PRODUCT CHARACTERISTICS

1. SUBJECT, INVESTMENT POLICY AND OTHER CHARACTERISTICS

1.1 Specific part relative to each fund

“VALORI RESPONSABILI” LINE

Etica Obbligazionario Breve Termine

This fund, established on 10 October 2002, is a bond fund which aims to obtain a contained increase in capital invested in respect of environmental, social and governance principles, over a short-term period and with a low risk level.

Subject

The fund, in addition to bank deposits, also invests in the following financial instruments traded on regulated and non-regulated markets:

- money market
- bonds
- derivatives (as better described in section 1.2 below)

Investment policy and other characteristics

The fund's investment policy focuses:

- focuses mainly on monetary and bond financial instruments with a portfolio duration from between 0 and 2.5 years, issued or guaranteed by sovereign issuers or supranational and international bodies;
- envisages that up to a maximum of 10% of the net value of the fund can be invested in instruments issued by companies in any economic sector.

The fund may also invest up to 100% of its assets in bank deposits.

Equity securities or those with share options are excluded.

Investments are mainly made in regulated markets of countries within the Eurozone.

The value of financial instruments in foreign currencies held by the fund cannot exceed 30% of total fund assets. In any case, financial instruments in foreign currencies can be exposed to risks associated with changes in exchange rates up to a maximum of 10% of the fund's net value.

Financial instruments are selected after careful analysis of the issuer's environmental, social and governance responsibility, as described in article 5 below. They are also selected following macroeconomic analysis of the main variables of the major global economies, with special attention paid to the monetary policies implemented by the European Central Bank. Analysis is also carried out of the financial statements and credit situations of the main issuing companies on the bond markets (e.g. equity ratios, debt levels, and income differentials with respect to risk-free assets). Positioning opportunities are taken into consideration, also through arbitrage, on the short-term portion of the interest-rate curves of the various countries considered.

The AMC adopts an active management style, with significant changes in the structure of the fund possible with respect to the benchmark indicated in the Prospectus.

Investments may be made in financial instruments from issuers not present in the reference index or present in different proportions, through various balances of geographic areas and/or sectors for investment and through changes in the ratio between the stock and bond component, in order to achieve better returns corrected for long-term risk.

Etica Obbligazionario Misto

This fund, established on 10 October 2002, is a bond fund which aims to obtain a gradual increase in capital invested in respect of environmental, social and governance principles, over a medium-term period and with a medium risk level.

Subject

The fund, in addition to bank deposits, also invests in the following financial instruments traded on regulated and non-regulated markets:

- money market
- bonds
- shares
- derivatives (as better described in section 1.2 below)

Investment policy and other characteristics

The fund's investment policy focuses:

- focuses mainly on monetary and bond-type financial instruments, issued by sovereign issuers, supranational and international bodies;
- envisages that up to a maximum of 10% of the net value of the fund can be invested in companies in any economic sector.

The fund may also invest up to 100% of its assets in bank deposits.

The duration of the bond component varies from 2 to 6 years.

Investments in equity financial instruments, from issuers of various levels of capitalisation and wide diversification in the different economic sectors, may be made up to a value of no more than 20% of the total net value of the fund.

For the stock component, the fund invests primarily in regulated markets in Europe, North America and Japan. For the bond component, investments are primarily in regulated markets in the Eurozone.

The value of financial instruments in foreign currencies held by the fund cannot exceed 50% of total fund assets. In any case, financial instruments in foreign currencies can be exposed to risks associated with changes in exchange rates up to a maximum of 25% of the total net value of the fund.

All financial instruments are selected after careful analysis of the issuer's environmental, social and governance responsibility, as described in article 5 below. For the bond portion, financial instruments are selected on the basis of macroeconomic analysis of the main variables of the major global economies, with special attention paid to the monetary policies implemented by the Central Banks. Analysis is also carried out of the financial statements and credit situations of the main issuing companies on the bond markets (e.g. equity ratios, debt levels, income differentials with respect to risk-free assets). For the stock portion, investments are made on the basis of macroeconomic and industrial analysis of individual countries and sectors and economic/financial analysis to primarily select companies with an interesting investment profile in relation to the parameters held to be significant.

The AMC adopts an active management style, with significant changes in the structure of the fund possible with respect to the benchmark indicated in the Prospectus.

Investments may be made in financial instruments from issuers not present in the reference index or present in different proportions, through various balances of geographic areas and/or sectors for investment and through changes in the ratio between the stock and bond component, in order to achieve better returns corrected for long-term risk.

Etica Rendita Bilanciata

This fund, established on 29 April 2015, is a balanced bond fund which aims to obtain a moderate increase in capital invested in respect of social, environmental and governance principles, over a medium/long-term period and with a medium risk level.

Subject

The fund, in addition to bank deposits, also invests in the following financial instruments traded on regulated and non-regulated markets:

- money market
- bonds
- shares
- derivatives (as better described in section 1.2 below)

Investment policy and other characteristics

The fund's investment policy focuses:

- on equity instruments from issuers with various levels of capitalisation, with wide diversification of investments in different economic sectors, primarily in regulated markets in Europe, North America and Japan.
- on bonds issued by sovereign issuers, supranational and international entities and, for up to a maximum of 10% of the total net value of the fund, from corporate issuers, primarily in regulated markets in the Eurozone.

The fund may also invest up to 40% of its assets in bank deposits.

The duration of the bond component varies from 2 to 7 years.

Investments in equity financial instruments may be made up to a value of no more than 40% of the total net value of the fund.

The value of financial instruments in foreign currencies may reach 70% of total fund assets. In any case, financial instruments in foreign currencies can be exposed to risks associated with changes in interest rates up to 40% of the total net value of the fund.

All financial instruments are selected after careful analysis of the issuer's environmental, social and governance responsibility, as described in article 5 below.

For the bond portion, financial instruments are selected on the basis of macroeconomic analysis of the main variables of the major global economies, with special attention paid to the monetary policies implemented by the Central Banks. Analysis is also carried out of the financial statements and credit situations of the main issuing companies on the bond markets (e.g. equity ratios, debt levels, and income differentials with respect to risk-free assets).

For the stock portion, investments are made on the basis of macroeconomic and industrial analysis of individual countries and sectors and economic/financial analysis to primarily select companies with an interesting investment profile in relation to the parameters held to be significant.

The AMC uses an active management style, with significant changes in the structure of the fund possible with respect to the benchmark indicated in the Prospectus.

Investments may be made in financial instruments from issuers not present in the reference index or present in different proportions, through various balances of geographic areas and/or sectors for investment and through changes in the ratio between the stock and bond component, in order to achieve better returns corrected for long-term risk.

Etica Bilanciato

This fund, established on 10 October 2002, is a balanced fund which aims to obtain a moderate increase in capital invested in respect of environmental, social and governance principles, over a medium/long-term period and with a medium risk level.

Subject

The fund, in addition to bank deposits, also invests in the following financial instruments traded on regulated and non-regulated markets:

- money market
- bonds
- shares
- derivatives (as better described in section 1.2 below)

Investment policy and other characteristics

The fund's investment policy focuses:

- on equity instruments from issuers with various levels of capitalisation, with wide diversification of investments in different economic sectors.
- on bonds issued by sovereign issuers, supranational and international entities and, for up to a maximum of 10% of the total net value of the fund, from corporate issuers.

The fund may also invest up to 40% of its assets in bank deposits.

The duration of the bond component varies from 3 to 7 years.

For the stock component, the fund invests primarily in regulated markets in Europe, North America and Japan. For the bond component, investments are primarily in regulated markets in the eurozone.

Investments in equity financial instruments may be made up to a value of no more than 70% of the total net value of the fund.

The value of financial instruments in foreign currencies may reach 100% of total fund assets. As a consequence, financial instruments in foreign currencies can be exposed to risks associated with changes in interest rates up to 100% of the total net value of the fund.

All financial instruments are selected after careful analysis of the issuer's environmental, social and governance responsibility, as described in article 5 below. For the bond portion, financial instruments are selected on the basis of macroeconomic analysis of the main variables of the major global economies, with special attention paid to the monetary policies implemented by the Central Banks. Analysis is also carried out of the financial statements and credit situations of the main issuing companies on the bond markets (e.g. equity ratios, debt levels, and income differentials with respect to risk-free assets). For the stock portion, investments are made on the basis of macroeconomic and industrial analysis of individual countries and sectors and economic/financial analysis to primarily select companies with an interesting investment profile in relation to the parameters held to be significant.

The AMC adopts an active management style, with significant changes in the structure of the fund possible with respect to the benchmark indicated in the Prospectus.

Investments may be made in financial instruments from issuers not present in the reference index or present in different proportions, through various balances of geographic areas

and/or sectors for investment and through changes in the ratio between the stock and bond component, in order to achieve better returns corrected for long-term risk.

Etica Azionario

This fund, established on 31 May 2006, is a stock fund which aims to obtain a gradual increase in capital invested in respect of environmental, social and governance principles, over a long-term period and with a high risk level.

Subject

The fund, in addition to bank deposits, also invests in the following financial instruments traded on regulated and non-regulated markets:

- shares
- bonds
- money market
- derivatives (as better described in section 1.2 below)

Investment policy and other characteristics

The fund's investment policy focuses:

- mainly on equity financial instruments from issuers with various levels of capitalisation, with wide diversification of investments in different economic sectors. Investments are made with wide geographic diversification, mainly in regulated markets in the countries of the European Union, Switzerland and Norway, in North America and the Pacific.

The fund may also invest up to 20% of its assets in bank deposits.

The value of financial instruments in foreign currencies may reach 100% of total fund assets. As a consequence, financial instruments in foreign currencies can be exposed to risks associated with changes in interest rates up to 100% of the total net value of the fund.

All financial instruments are selected after careful analysis of the issuer's environmental, social and governance responsibility, as described in article 5 below. Investments are made on the basis of macroeconomic and industrial analysis of individual countries and sectors and economic/financial analysis to primarily select companies with an interesting investment profile in relation to the parameters held to be significant.

The AMC uses an active management style, with significant changes in the structure of the fund possible with respect to the benchmark indicated in the Prospectus.

Investments may be made in financial instruments from issuers not present in the reference index or present in different proportions, through various balances of geographic areas and/or sectors for investment and through changes in the ratio between the stock and bond component, in order to achieve better returns corrected for long-term risk.

"FUTURI RESPONSABILI" LINE

Etica Impatto Clima

This fund, established on 25 July 2018, is a balanced fund which aims to obtain a moderate increase in capital invested in respect of environmental, social and governance principles, over a medium/long-term period and with a medium risk level.

Subject

The fund, in addition to bank deposits, also invests in the following financial instruments traded on regulated and non-regulated markets, without any restrictions related to geographical area:

- money market
- bonds
- shares
- derivatives (as better described in section 1.2 below)

Investment policy and other characteristics

The fund's investment policy focuses:

- on equity instruments from issuers with various levels of capitalisation, with wide diversification of investments in different economic sectors;
- on bonds issued by sovereign issuers, supranational and international entities and corporate issuers.

The fund may also invest up to 40% of its assets in bank deposits.

The duration of the bond component varies from 2 to 7 years.

Investments in equity financial instruments may be made up to a value of no more than 60% of the total net value of the fund.

The value of financial instruments in foreign currencies may reach 100% of total fund assets. In any case, financial instruments in foreign currencies can be exposed to risks associated with changes in interest rates up to 50% of the total net value of the fund.

All financial instruments are selected after careful analysis of the issuer's sustainability, with particular attention to environmental conduct, as described in article 5 below.

For the bond portion, financial instruments are selected on the basis of macroeconomic analysis of the main variables of the major global economies, with special attention paid to the monetary policies implemented by the Central Banks. Analysis is also carried out of the financial statements and credit situations of the main issuing companies on the bond markets (e.g. equity ratios, debt levels, income differentials with respect to risk-free assets). For the stock portion, investments are made on the basis of macroeconomic and industrial analysis of individual countries and sectors and economic/financial analysis to primarily select companies with an interesting investment profile in relation to the parameters held to be significant.

The AMC adopts an active management style, with significant changes in the structure of the fund possible with respect to the benchmark indicated in the Prospectus.

Investments may be made in financial instruments from issuers not present in the reference index or present in different proportions, through various balances of geographic areas and/or sectors for investment and through changes in the ratio between the stock and bond component, in order to achieve better returns corrected for long-term risk.

1.2 Part relative to all funds

1. Sistema Etica is a group of funds that work to increase the value of capital invested over time through an investment policy that is inspired by ethical principles in issuer selection.
2. Participation in a mutual investment fund involves risks associated with possible changes in the value of units, which are in turn influenced by fluctuations in the listings of the financial instruments which make up the fund portfolio. Fluctuations in the value of securities representing risk capital may be particularly significant, while money-

market and debt securities in general are normally more contained. In any case, for the latter and in particular for those which are fixed rate, greater fluctuations are seen in securities with greater residual durations.

3. The financial instruments are classified as “investment grade” on the basis of the creditworthiness assessment system adopted by the AMC. This system can consider, among other qualitative and quantitative elements, judgements expressed by one or more of the main credit-rating companies established in the European Union and registered in compliance with European regulations for credit-rating agencies. However, these are not automatically relied on. Non-significant portfolio positions may be classified as investment grade if they have been assigned an investment-grade rating by at least one of the mentioned rating agencies.
4. Pursuant to these Fund Rules, the term “regulated markets” refers to, in addition to those found on the list set out under article 64-*quater*, paragraph 2 of Italian Legislative Decree 58 of 24 February 1998, those indicated on the list approved by the Assogestioni Management Council and published on the association's website (www.assogestioni.it).
5. Below are the values, in percentage terms, associated with the definitions used in these Fund Rules in relation to the size of investments with respect to the total portfolio:

Main	> 70%
Prevalent	Between 50% and 70%
Significant	Between 30% and 50%
Limited	Between 10% and 30%

6. The equity of each fund can also be invested, in compliance with the regulations in effect and the environmental, social and governance criteria pursuant to article 5 below, in:
 - a) shares and other risk capital securities tradeable on equity markets; bonds, government securities and other debt securities tradeable on capital markets; financial instruments, tradeable on equity markets, set out in the Civil Code; securities normally traded on the money market; any other security normally traded that allows the acquisition of the instruments previously indicated and their relative indices;
 - b) unlisted money market financial instruments easily liquidated with a residual life not exceeding 6 months;
 - c) listed derivatives relative to assets in which the UCITS may invest, financial indices, interest rates, exchange rates or currencies;
 - d) unlisted derivatives (“OTC derivatives”);
 - e) financial instruments pursuant to letter a) above, unlisted;
 - f) units of UCITS and open non-reserved alternative investment funds (FIA) (hereafter, UCITS), with portfolio compositions compatible with the fund's investment policy;
 - g) bank deposits.

Investments, in line with the specific aims of each fund, are made in compliance with the prohibitions and limits indicated for harmonised open funds by current legislation. Investments in UCITS units cannot exceed 10% of the total net value of the fund.

7. The equity of each fund, in compliance with the specific investment policy, may also be invested in financial instruments from a single issuer in an amount that exceeds 35% of its assets if the financial instruments are issued in the countries indicated below, on the condition that the fund contains at least six different issues and the value of each does not exceed 30% of the fund's assets:

“Valori Responsabili” Line	Issuer
Etica Obbligazionario Breve Termine Etica Obbligazionario Misto	Countries in the European Monetary Union
Etica Rendita Bilanciata Etica Bilanciato Etica Azionario	OECD member countries

“Futuri Responsabili” Line	Issuer
Etica Impatto Clima	OECD member countries

8. Fund equity will be invested in financial instruments identified through a method based on an analysis of issuers’ environmental, social and governance responsibility.
9. The AMC has the right to hold a part of the equity of each fund in liquid form, which for funds that invest in foreign financial instruments could also be in a foreign currency, and to make investment choices able to protect the interests of investors in relation to the trend of financial markets or specific general situations.
10. The currency denomination of the funds is the Euro. The minimum unit of measurement for any transaction carried out is 1 Euro cent. This general principle does not apply when determining the individual unit values, which are calculated to thousandths of a Euro. Items in currencies other than that of the Funds are converted to the latter using the exchange rate identified daily by WM/Reuters, ascertained through determination of the main contributors, calculated and published by the WM Company, on the basis of information made available on the Reuters information network. In the case in which the cited exchange rates are not available, current exchange rates ascertained daily by the European Central Bank (ECB) will be used, on the reference date for the measurement.
11. When the investment policy for the individual fund envisages the acquisition of financial instruments in foreign currencies, the AMC, when selecting these investments, takes into account the criteria of dividing these based on the currency element and the consequent additional risk component associated with changes in the total percentage of said securities relative to the overall composition of the fund portfolio.
12. The AMC has the ability to use exchange-rate hedging instruments within the limits expressly indicated in the investment policy for each fund and in compliance with the conditions established by the Supervisory Body.
13. The AMC has the right to use derivatives solely for the purpose of covering portfolio risks. In any case, the investment in derivatives cannot alter the risk profile defined in the investment policy for each fund. The AMC may use derivatives to cover the total net value of the fund.

1.3 Characteristics of unit classes and conditions for access

The unit classes “I, “R and “RD” are differentiated by the fee structure applied (based on the provisions of article 3 below), the destination of profits and by access conditions,

which are governed on the basis of the investor's characteristics and the method used to subscribe the units (based on the provisions of article 1.2 of Part C of these Rules).

Classes R and I accumulate profits, while class RD distributes profits.

Units in classes R and RD are intended for all investors.

Units in class I are intended for professional investors, which refers to professional clients, whether private or public, pursuant to article 35, paragraph 1, letter d) of the Rules adopted by CONSOB with Resolution 20307 of 15 February 2018 (*"Intermediaries Regulations"*) which, by way of example and not exhaustive, may include:

- legal persons authorised or allowed to operate under the regulations governing the financial markets, including banks, investment companies, insurance companies, undertakings for collective investments in transferable securities, asset-management companies, harmonised management companies, pension funds and brokers registered in the register established under article 106 of Italian Legislative Decree 385/1993 (hereafter "TUB"), bank foundations, companies whose main business consists of trading goods on their own account, as well as institutional investors whose main business is investment in financial instruments;
- national governments and regional administrations, central banks, international and supranational institutions such as the International Monetary Fund, European Central Bank, the European Investment Bank and other similar international organisations;
- private entities pursuant to Italian Legislative Decrees 509 of 30 June 1994 and 103 of 10 February 1996.

Transfer of units in class I is possible only in the case in which the assignee falls within the category of professional clients. In the case in which the assignee does not fall in this category, in any case without prejudice to the limits and rules regarding subscription of Funds pursuant to these Rules, the class I units subject to transfer will be converted by the AMC, automatically, to class R units.

1.4 Limits on related-party transactions

Management of the Funds occurs in compliance with the regulations in effect on conflicts of interest.

The Funds may also:

- acquire financial instruments from companies financed by companies in the group to which the AMC belongs, also through participation in undertakings for collective investments in transferable securities (UCITS);
- trade financial instruments with other funds within "Sistema Etica". Trading must be compatible with the fund's investment objectives and be carried out in compliance with the "best-execution" principle. Only when necessary to deal with an unexpected and significant flow of divestments or to rebalance the portfolio is it possible to:
- invest in units of UCITS managed by the same AMC by other AMCs in the same group (hereafter "associated UCITS"), or by companies connected to the same through joint control or through a considerable equity investment, direct or indirect, for which the portfolio composition is compatible with the fund's investment policy. In any case, no expenses or rights of any type are applied to the purchasing fund relative to the subscription or redemption of the associated UCITS.

The AMC's Board of Directors may adopt a resolution which identifies purchase limits for financial instruments issued by or placed with Group companies, relative to managed assets.

2. PROFIT, OPERATING RESULTS AND METHOD OF DIVISION.

With the exception of the RD class, classes R and I capitalise profit. Therefore, profit achieved is not distributed to investors but remains within fund equity.

2.1 Determination and distribution of profits of the "RD" class

1. The RD class distributes profits. The profits generated by the Etica Obbligazionario Misto, Etica Rendita Bilanciata, Etica Bilanciato, Etica Azionario and Etica Impatto Clima Funds, relating to this class, are therefore distributed to the relative investors according to the methods set forth below.

The AMC's Board of Directors resolves, based on its prudential judgement, the annual distribution to investors of a coupon of up to 100% of the profit achieved, in proportion to the number of units held by each of these, pursuant to point 5 below.

2. The profits subject to distribution consist of the algebraic sum, if positive, of the following items in the income section of the Fund's Annual Management Report:

- A1. Income from investments in listed financial instruments;
- B1. Income from investments in unlisted financial instruments;
- F1. Income from repurchase agreements and similar;
- G. Financial expense;
- H. Management fees;
- L. Taxes.

In this case, any distribution which occurs does not constitute the actual results of the fund during the reference period, in that all Income items are not taken into consideration, in particular profit/loss from disposal and capital gains/losses.

Additionally, the AMC's Board of Directors has the right to resolve distribution of up to 100% of profits and capital gains recognised in each reporting period.

More specifically, profits and capital gains means the algebraic sum of the following items, if positive, in the income section of each Management Report:

- A2. Gains/losses from disposal of listed financial instruments;
- A3. Capital gains/losses on listed financial instruments;
- A4. Income from hedging of listed financial instruments;
- B2. Gains/losses from disposal of unlisted financial instruments;
- B3. Capital gains/losses on unlisted financial instruments;
- B4. Income from hedging of unlisted financial instruments;
- C. Income from non-hedging derivatives.

Also in this case, any distribution which occurs does not constitute the actual results of the fund during the reference period, in that all Income section items are not taken into consideration.

Therefore, the distribution of income, as described above, may also exceed the actual result, representing in this case a partial reimbursement of the value of the units.

Distribution of said revenue will not involve, in any case, the automatic reimbursement of a given number of units or fraction of the same, but will always involve a decrease in their individual unit value.

3. The amount of income achieved as of 31 December of each year due to each unit, which could also be greater than the increase seen in the individual value of the same unit in the period to which the Management Report refers, will be determined by dividing the amount established for distribution by the number of units in circulation on the date determined by the AMC's Board of Directors when the Annual Management Report is approved. The portion calculated on said date will therefore be "ex-coupon".
4. Investors existing as of the day previous to the "ex-coupon" listing are considered to have the right to distribution of the income pursuant to point 2 above.
5. The amount of the income due to each unit, as well as the date that distribution will begin will be indicated in the report accompanying the Annual Management Report, prepared within 60 days of the end of each financial year by the administrative body of the AMC and published as indicated in the "Identification Card" of these rules. In any case, the date established cannot be later than the thirtieth day subsequent to the date the Annual Management Report is approved.
6. Distribution of profits is done through the Custodian in proportion to the number of units held by each Investor.
If the Subscriber has requested that a certificate of investment be issued, payment of the income is subordinate to the presentation of the entire certificate and relative coupons to the Custodian, also through the Placer.
Profits are paid to investors through a current account bank transfer, net of the expenses defined under article 3 below. The amounts distributed are rounded down to the closest Euro cent and any fractions of revenues not paid are returned to the equity of the fund. The investor is responsible for providing and updating their bank coordinates for the purposes of receiving the revenues distributed in their current account.
Profits of less than € 10 gross are reinvested in fund units, with the exception of the "nominee" operations envisaged under point 5 in Section 1.2 of these Rules, which envisage the distribution of profits in any amount (including amounts less than € 10).
7. Rights relative to unredeemed coupons expire in favour of the fund based on the limits established by law. When the credit expires subsequent to the publication of the final fund liquidation statement, the profits are returned to the AMC's equity.

3. EXPENSE REGIME.

3.1 Expenses assigned to the Funds

1. The fund is only assigned those expenses that strictly pertain to it or are strictly functional to the ordinary operations of the same, as well as expenses envisaged under legislative or regulatory provisions. Consequently, the following can be assigned to the Funds:
 - a) a management fee, to be paid quarterly to the AMC, calculated daily relative to the total net value of each fund and withdrawn from the available funds of the same the first business day of the subsequent quarter, for the annual amount indicated below with reference to each unit class:

"Valori Responsabili" Line	Management fee
Etica Obbligazionario Breve Termine - Class R	0.15% quarterly (0.60% annually)
Etica Obbligazionario Breve Termine - Class I	0.075% quarterly (0.30% annually)

Etica Obbligazionario Misto - Class R	0.30% quarterly (1.20% annually)
Etica Obbligazionario Misto - Class RD	0.30% quarterly (1.20% annually)
Etica Obbligazionario Misto - Class I	0.15% quarterly (0.60% annually)
Etica Rendita Bilanciata - Class R	0.375% quarterly (1.50% annually)
Etica Rendita Bilanciata - Class RD	0.375% quarterly (1.50% annually)
Etica Rendita Bilanciata - Class I	0.1875% quarterly (0.75% annually)
Etica Bilanciato - Class R	0.45% quarterly (1.80% annually)
Etica Bilanciato - Class RD	0.45% quarterly (1.80% annually)
Etica Bilanciato - Class I	0.225% quarterly (0.90% annually)
Etica Azionario - Class R	0.475% quarterly (1.90% annually)
Etica Azionario - Class RD	0.475% quarterly (1.90% annually)
Etica Azionario - Class I	0.2375% quarterly (0.95% annually)
"Futuri Responsabili" Line	Management fee
Etica Impatto Clima - Class R	0.40% quarterly (1.60% annually)
Etica Impatto Clima - Class RD	0.40% quarterly (1.60% annually)
Etica Impatto Clima - Class I	0.20% quarterly (0.80% annually)

The management fee is assigned to each class based on the respective amount, only after the total net value of the fund on each day of calculation has been proportionally divided between the various unit classes.

- b) The costs sustained to calculate the value of a unit for each fund, calculated daily based on the total net value of each fund, up to a maximum amount of 0.02% annually, as well as taxes due pursuant to regulatory provisions in effect *pro tempore*, withdrawn monthly from the available liquidity of the fund by the fifteenth business day of the month subsequent to the reference calendar month.
- c) the fee paid to the Custodian for the work carried out, up to a maximum of 0.10% on an annual basis, calculated daily on the total net value of each fund, as well as taxes due pursuant to regulatory provisions in effect *pro tempore*, withdrawn quarterly from the available liquidity of the fund on the first business day of the quarter following the reference calendar quarter;
- d) charges associated with the purchase and disposal of fund assets (for example, brokering charges inherent to the purchase and sale of securities and the relative taxes on transfer);
- e) expenses for publication of the individual value of fund units and periodic prospectuses for each fund;
- f) expenses for notifications relative to regulatory amendments required by changes in the law and the regulatory provisions as well as the liquidation of each fund;
- g) costs to print documents intended for the public and those deriving from required notifications for all investors, provided these charges are not associated with propaganda or advertising, or in any case with the placement of fund units;

- h) expenses to audit the accounts and the Annual Management Reports for the funds, including the Final Liquidation Report;
 - i) financial charges associated with any taking out of loans in the cases allowed under the provisions in effect and the associated expenses;
 - j) legal and judicial expenses sustained in the exclusive interest of the funds;
 - k) tax charges pertaining to the funds as foreseen in the applicable regulations;
 - l) the supervisory contribution due to CONSOB for providing control and supervisory activities.
2. Payment of these expenses is provided for by the AMC through withdrawal from the available liquidity of the funds, recognised on the day the amounts are effectively disbursed.
 3. The purchasing fund is not charged for any expenses or rights relative to the subscription and reimbursement on units of associated UCITS and the total payment that the associated funds receive is deducted from the amount paid to the AMC, for said reason and up to the same amount.

3.2 Charges applicable to individual investors

1. Investment in the Funds is exempt from subscription or redemption fees, without prejudice to that envisaged in paragraph 2 below.
2. To contribute to the creation of the fund both as a guarantee for microfinance projects and to provide financial support for initiatives through crowdfunding tools, based on the provisions of article 6 below each subscriber will be responsible for a voluntary contribution equal to 0.1% of each amount invested.
3. The AMC has the right to withdraw the following fixed fees from the amount invested by the investor:
 - a) € 12.00 for each investment, with the exception of those deriving from transfers between funds (not applicable to Class I);
 - b) € 12.00 for the initial investment made upon opening an accumulation plan (not applicable to Class I);
 - c) € 25.00 for the issuing of each certificate requested.

For operations carried out with the methods pursuant to point 5 of section 1.2 below "Method for subscribing Units" ("nominee") in Part C of these Rules, in place of the fixed fees indicated under letter a) and b) above, a fixed fee of a maximum of € 10 is applied and withheld from the nominee for every subscription operation (with the exception of those deriving from transfers between funds) and/or reimbursement and for the initial payment made upon opening an accumulation plan and a fixed fee of a maximum of € 1.00 for every payment made in the context of the accumulation plans. With the exception of operations carried out through a nominee, the AMC may also withhold, limited to covering charges effectively sustained which will be indicated to the investor on a case by case basis, expenses sustained for:

- every deposit made through permanent direct debit authorisation (SEPA Direct Debit-SDD);
- charges, taxes and postal expenses relative to the subscription, subsequent deposits and confirmation of investments and divestments;
- shipping and insurance of certificates, if the investor requests they be sent to their domicile;
- conversion, division and grouping of certificates;
- shipping and insurance for sending means of payment.

Additionally, the Custodian also has the right to withhold any expenses relative to the transfer of the payment, in the case of reimbursement.

4. Those assigned to carry out placement cannot charge any additional amounts to their clients with respect to those indicated in these rules.

4. ETHICS COMMITTEE

1. In consideration of the environmental, social and governance principles which inspire its fund management, the AMC's Board of Directors works with an Ethics Committee in order to ensure its management decisions are in line with the principles indicated in these rules.
2. The Ethics Committee is independent and autonomous from the AMC. It consists of members selected on the basis of their excellent moral character and recognised experience in social, environmental or academic fields.
3. The Ethics Committee prepares its own opinions relative to the ethics of investments and may identify additional criteria for the assessment of companies, supranational and international bodies and governments.

5. ENVIRONMENTAL, SOCIAL AND GOVERNANCE CRITERIA

1. The Funds are characterised by the AMC's commitment to invest the equity of said funds in financial instruments from issuers with an excellent profile in terms of social and environmental responsibility and good governance.
2. The Funds will be invested in financial instruments from issuers (governments, companies, supranational and international bodies) which, at the time of investment, have an excellent profile in terms of social and environmental responsibility and good governance. To analyse these issuers, the AMC uses proprietary methodology.
3. Below is a brief description of some of the areas identified in analysing the social and environmental responsibility and governance of companies and governments:

“Valori Responsabili” Line

MAIN FIELDS OF EXCLUSION AND ASSESSMENT CRITERIA FOR BUSINESSES

FIELDS OF EXCLUSION
<ul style="list-style-type: none"> • Involvement in serious disputes pertinent to issues such as: biodiversity, soil and water pollution, violation of basic human rights and workers’ rights, corruption • Animal testing • Arms sales • Games of chance • Genetic engineering • Nuclear energy • Pesticides • Tobacco
ASSESSMENT CRITERIA

ENVIRONMENT	<ul style="list-style-type: none"> • Emissions management • Waste management • Water resources management • Environmental impact of products and production • • Protection of biodiversity
SOCIAL	<ul style="list-style-type: none"> • Management of health and safety • Relations with unions and employees • Protection of workers' rights • Supply chain management • Management of relations with local communities
GOVERNANCE	<ul style="list-style-type: none"> • Composition of the Board of Directors • Audit and internal control • Prevention of corruption • Monitoring socio-environmental problems • Remuneration of management

MAIN FIELDS OF EXCLUSION AND ASSESSMENT CRITERIA FOR GOVERNMENTS

FIELDS OF EXCLUSION
<ul style="list-style-type: none"> • Countries considered not free or partly free • Presence of the death penalty
ASSESSMENT CRITERIA

ENVIRONMENT	<ul style="list-style-type: none"> • Protection of biodiversity • • Water resources protection • Mitigation and adaptation to climate changes • Reducing emissions into the atmosphere • Transition to green growth
SOCIAL	<ul style="list-style-type: none"> • • Promotion of education and health • Promotion of gender equality • Social Development Index • International solidarity
GOVERNANCE	<ul style="list-style-type: none"> • Participation in International Conventions on Human Rights • Participation in International Conventions against discrimination • Participation in International Conventions on Workers' Rights • Promotion of democracy and stability: level of political stability, perceived corruption index, efficacy of government, quality of legislation
	<ul style="list-style-type: none"> •

"Futuri Responsabili" Line

MAIN FIELDS OF EXCLUSION AND ASSESSMENT CRITERIA FOR BUSINESSES

FIELDS OF EXCLUSION
<ul style="list-style-type: none"> • Fossil fuels • Nuclear energy • Oil sands and shale oil • Involvement in serious disputes pertinent to issues such as: biodiversity, soil and water pollution, violation of basic human rights and workers' rights, corruption • Arms sales • Games of chance
ASSESSMENT CRITERIA
<ul style="list-style-type: none"> • Well-being of animals • Products' environmental impact • Protection of biodiversity • Management of the supply chain according to environmental parameters • Environmentally sustainable packaging policies

- Waste management
- Emissions management
- Energy from renewable sources
- Identifying risks and opportunities related to climate change
- Management of the supply chain according to environmental parameters
- Level of reputational risk in terms of environmental management and the relative trend

MAIN FIELDS OF EXCLUSION AND ASSESSMENT CRITERIA FOR GOVERNMENTS

FIELDS OF EXCLUSION	
<ul style="list-style-type: none"> • Countries considered not free or partly free • Presence of the death penalty 	
ASSESSMENT CRITERIA	
ENVIRONMENT	<ul style="list-style-type: none"> • Protection of biodiversity • Water resources protection • Mitigation and adaptation to climate changes • Reducing emissions into the atmosphere • Transition to green growth •
SOCIAL	<ul style="list-style-type: none"> • Promotion of education and health • Promotion of gender equality • Social Development Index • International solidarity •
GOVERNANCE	<ul style="list-style-type: none"> • Participation in International Conventions on Human Rights • Participation in International Conventions against discrimination • Participation in International Conventions on Workers' Rights • Promotion of democracy and stability: level of political stability, perceived corruption index, efficacy of government, quality of legislation •
	<ul style="list-style-type: none"> •

6. CONTRIBUTION SUPPORTING INITIATIVES FINANCED THROUGH MICROFINANCE AND CROWDFUNDING

1. The AMC supports projects and initiatives in Italy through microfinance and crowdfunding tools, through the establishment of a dedicated fund supported by the contributions made by investors pursuant to article 3.2, paragraph 2 in this Product Characteristics section.
2. The AMC may also contribute to this fund, annually assigning a total amount of no more than 0.1% of the management fees received by the funds.
3. The result of these provisions will be deposited in unavailable current accounts with the Custodian and used to promote initiatives supported through microfinance and

crowdfunding. The operations connected to microfinance are managed by Banca Popolare Etica or by another entity identified by the same. Initiatives supported through crowdfunding are proposed by Banca Popolare Etica or by another entity identified by the same.

4. The AMC will inform investors about these initiatives through a specific communication, which may also be inserted in the required annual communications.

These rules consist of three sections:

(a) Identification card; (b) Product characteristics; (c) Operating method.

C) OPERATING METHOD

I. Investment in the fund.

I.1 General provisions

1. Investment in the fund occurs through the subscription of units or subsequent purchase, whatever the circumstances.
2. Subscription of units can only occur through the payment of an amount corresponding with the value of the units.
3. The AMC contractually requires - also pursuant to article 1411 of the Italian Civil Code - its placers to forward subscription requests, and the relative means of payment to the AMC no later than the first business day after receipt of the same, by the time defined in point 5 below.
4. The AMC determines the number of units and thousandth parts of these, rounded down, to be attributed to each investor by dividing the amount paid, net of charges that are the responsibility of individual investors, by the unit value of the unit on the reference day. If the fund is not valued on that day, the units are assigned on the basis of the value on the first subsequent day the unit is valued.
5. The reference day is the day on which the AMC received, by 2:00 pm, definitive notification of the subscription or, if later, the day on which value dates take effect - determined by the means of payment indicated in the subscription form. In the case of a bank transfer, the value date is that recognised by the remitting bank.
6. For contracts stipulated off-site, the reference date cannot be prior to that on which the contracts themselves take effect, pursuant to article 30 of Italian Legislative Decree 58/1998.
7. In the case of subscription of units deriving from reinvestment of profits/revenues distributed by the fund, the value date must coincide with the date the profits/revenues in question were paid.
8. If the payment is made in a currency other than that in which the fund is denominated, the relative amount is converted into the currency in which the fund is denominated using the exchange recognised by the Bank of Italy or the ECB or the current exchange rates ascertained on markets of international relevance and significance on the reference day.
9. In the case that the transaction associated with the selected method of payment is unsuccessful, the AMC will liquidate the units assigned and recoup the losses with the revenue that is understood to be definitively acquired, without prejudice to any greater damages.
10. Relative to each subscription, the AMC (or *nominee*), in the cases of subscription with the methods pursuant to point 5 in the section I.2 "Method for subscribing units" below, shall send a confirmation letter to the subscriber relative to the investment, containing information including the date the subscription request was received, the means of payment, gross amount paid and net invested, the value date recognised for the means of payment, the number of units assigned, the unit value at which these were subscribed, and the date to which said value refers.

11. The net amount of the subscription is attributed to the fund on the day of the subscription settlement date with the same value recognised for the means of payment selected by the subscriber.
12. The settlement date for the subscriptions is understood to be the day after the reference date.
13. Investment in the fund cannot be subordinated to conditions, constraints or charges of any type, other than those indicated in the Regulations.
14. Entities which cannot be offered or distributed fund units pursuant to the Prospectus cannot invest in the fund.

To that end, the AMC may:

- reject a request to issue or transfer units from or to said entities;
- request at any time that fund investors provide in writing, under their own responsibility, any information held necessary to verify the existence of the requirements envisaged for investing in the fund;
- reimburse all the units held by said entities, on its own initiative.

Reimbursement of the units on its own initiative is determined on the basis of the current unit value, net of any reimbursement fee that may apply pursuant to these Regulations.

I.2 Method for subscribing units

1) Subscription of Fund units occurs by:

a. depositing in a Single Payment:

Fund Class	Minimum Initial Amount	Subsequent Payments
Class R	no less than € 500.00	no less than € 200.00
Class RD	no less than € 2,000.00	no less than € 200.00

b. adhesion to accumulation plants pursuant to section I.3 below;

c. adhesion to transfer operations between funds pursuant to section I.4 below.

For class I, the amount of the initial payment must be at least € 500,000.00 (in one or more funds within the "Sistema Etica").

2) Subscription can be carried out:

- a) directly with the AMC;
- b) through subjects appointed to carry out placement;
- c) through remote communication techniques, pursuant to point 7 below;
- d) using the "nominee with vertical integration of placement" method, pursuant to point 5 below, for placers who adhere to it.

3) Subscription of units is done by filling out and signing a specific form, made available by the AMC and addressed to the same, containing the identifying information for the subscriber, any joint account holders, the amount of the deposit (before subscription fees and any other expenses), the method of payment used and the relative value applied for recognition of the amounts by the fund. The investment request can be prepared free-form, if done in the context of offers to professional clients pursuant to article 30, paragraph 2 of Italian Legislative Decree 58/98. 4).

- 4) Subscription of units can also be done through the granting of a mandate, with or without representation, to subjects appointed to carry out placement, by filling out the subscription form or contained within an individual management contract to trade, receive and transmit orders and serve as the custodian and administrator of financial instruments previously subscribed with the placer.

Subjects appointed to carry out placement send the investment request to the AMC, containing: the identifying information of the individual investors, the amounts deposited by each one and instructions relative to the issuing of certificates, in the case issuing of the units into the cumulative certificate held by the Custodian is not requested.

Granting a mandate does not involve any additional charges for the investors.

The subject assigned to carry out placement can also send an identification code relative to the investor to the AMC in place of the investor's name. In this case, the placer will promptly inform the AMC of the investor's identifying details after an express request from the AMC, or in the case the mandate is revoked, or upon a request from the AMC in any case in which this is necessary to carry out the tasks involved in investment in the fund under the responsibility of the AMC or the Custodian.

- 5) Subscription of units can also be done using the "nominee with vertical integration of placement" scheme. In this case, the "nominee" acts as the primary placer of the Funds, and makes use - in turn - of secondary placers appointed by the same. Subscription of units occurs through the granting:

- a) to the primary placer, of a mandate without representation, using a specific subscription form, to subscribe Fund units in the name of and on the account of the same subscriber, as well as to request reimbursement operations pursuant to section VI "Unit Reimbursement" below and operations to transfer between Funds, pursuant to section I.4 below "Operations to switch between funds or classes established within the same fund".
- b) to the secondary placer (or "agent"), of a mandate with representation, using the subscription form, to:
 - (i) send the primary placer subscription requests as well as requests for transfer operations between Funds and reimbursements pursuant to sections I.4 and VI below;
 - (ii) manage and receive methods of payment pursuant to point 6 below and pay the investor sums deriving from the reimbursements pursuant to section VI "Unit Reimbursement" below.

The methods of payment are addressed to the agent by the investor. The latter proceeds, in the name of and on the account of the same investor, to:

- (i) receive the methods of payment and deposit, by the first business day subsequent to that on which the subscription requests are received or, in any case, after the value days recognised for the means of payment indicated in the subscription form, the relative sums to the specific account opened with the primary placer;
- (ii) simultaneously send the primary placer the subscription request for Fund units.

After receiving the subscription request, the primary placer sends the AMC a single subscription request, cumulatively indicating all subscription requests received from the secondary placer and charges the secondary placer's account held with them, accrediting the relative sums (net of any applicable charges indicated under article 3

“Expense Regime”), with the same value date, to the technical account opened by the Custodian with the same primary placer. This account (the “Technical Account”) has a transitory nature, aimed at optimising financial flows between the primary placer and the account for Fund flows opened with the Custodian, in order to comply with the schedule of the fund itself.

Immediately after accreditation to the technical account and in any case within the same business day, the primary placer - after receiving instructions from the Custodian - charges the same amount to the technical account and credits the sums to the Fund flows account held with the Custodian, with the same value date.

Units subscribed are entered onto the cumulative certificate, pursuant to section II “Units and certificates of investment”, in the name of the primary placer, indicating that these are positions held on the account of third parties.

The primary placer maintains information on the individual positions of end subscribers on its own.

The subscriber has the right to revoke mandates conferred to the primary placer and the agent at any time.

- 6) Payment of the fee in Euro can occur through:
- a non-transferable bank or cashier's cheque or endorsed with a non-transfer clause, paid to the order of the AMC account in the name of the fund selected from among those pursuant to these Rules;
 - a bank transfer which the investor may also cover through cash;
 - a permanent direct debit authorisation (SEPA Direct Debit - SDD) for a current account held in the investor or one of the joint account holders' names, in the case of adhesion to an Accumulation Plan and for deposits after the first one.

In the case of subscription using the methods indicated in point 5 above, the following methods of payment are allowed:

- a bank or cashier's cheque, non-transferable, issued by the subscriber (customer) and paid to the order of the agent;
 - bank transfer ordered by one of the customers, paid to the order of the agent;
 - a permanent direct debit authorisation (SEPA Direct Debit - SDD) for a current account indicated by the investor or one of the joint account holders, indicating the agent as the beneficiary;
 - a debit from the current account held with the agent, in favour of the latter.
- 7) Units can also be subscribed using remote communication techniques, in compliance with the laws and/or regulations in effect. In this case, only bank transfers can be used for subscription. The units subject to remote transactions are issued in the cumulative certificate pursuant to section II “Units and certificates of investment”.
- 8) Operations to issue and reimburse units are carried out daily, in line with the frequency established for calculation of unit value, as indicated in the Identification Card in these Rules.
- 9) The AMC undertakes to send the Custodian cheques received within the first business day after receipt. Value days begin as of said date.

I.3 Unit subscription through Accumulation Plans

1. Subscription of units can also occur through adhesion to Accumulation Plans (PAC), which allow the investor to divide their investment in the fund over time.

2. Adhesion to an Accumulation Plan is done by signing a specific form, which indicates:
 - total investment value;
 - number of payments and/or Plan duration;
 - unit amount and frequency of payments;
 - amount corresponding to at least 1 payment to be made at the time of subscription.
3. The Accumulation Plan envisages payments that may be monthly, quarterly, every six months or annual. Based on the investor's choice, the number of payments may range from a minimum of 60 to a maximum of 360.
4. The minimum unitary amount of each payment must be equal to or a multiple of € 50 (with the exception of the first payment for RD class, which must be € 2,000), before subscription fees. At any time, within the context of the Plan, the investor may make advance payments, provided they are multiples of the unitary payment selected.
5. For payments envisaged in the Accumulation Plan, the investor may use the methods of payment established in point 6 of Section I.2. Permanent debit authorisation (SEPA DIRECT DEBIT - SDD) in the bank current account indicated by the Subscriber is also allowed, solely for unitary payments made subsequent to the first.
6. The investor has the right to suspend or interrupt payments to the accumulation plan without this involving any additional charges.
7. The letter of confirmation relative to the investment is sent at the time of the first payment and, subsequently, at least every six months, solely in periods in which payments were made.
8. In compliance with that indicated in point 2 above, the investor may change the Plan at any time relative to:
 - the residual duration of the Plan;
 - the unitary amount of subsequent payments;
 - the frequency of payments.
 Instructions to change the Plan are sent using the methods indicated in point 2 of section I.2 "Method for subscribing units". Change instructions take effect on the day they are received by the AMC.
 In the case of subscription through the "nominee" method indicated under point 5 of section I.2 above, only the residual duration of the Plan and the unitary amount of subsequent payments can be changed, without any recalculation of the fees to be applied to payments.
9. When appropriate, the AMC redetermines the nominal value of the Plan and the total amount of fees due and new fees to be applied to residual payments. In no case will fees be reimbursed.

I.4 Operations to switch between funds or classes established within the same fund

1. At the same time as fund units are reimbursed, the investor has the right to subscribe units of other AMC funds/classes within the same System, in compliance with the minimum payment amounts pursuant to article I.2 of part C of these Rules, the economic conditions envisaged in these Rules and the access conditions pursuant to article 1.3 of Part B). For the purposes of verifying compliance with the aforementioned minimum amount, the value of the units reimbursed is considered,

before any tax withholdings that may be applied. Additionally, switching between Funds in the same class is allowed, even for amounts lower than the minimum payment amount, solely if the switch is requested for all the units subscribed by the investor and if the destination units are not in class I.

2. The switch between funds/classes may be done directly, or through the Placers, who send the request by the day following that on which it is received.
3. Switches between funds/classes may be done through written request or through the use of remote communication techniques.
4. The AMC, after checking the availability of units, executes the transaction in the following ways:
 - a) the reimbursement value is determined the day the transfer request is received. Note that requests are considered to have been received on a given day when they arrive by 2:00 pm;
 - b) the subscription date for the fund selected by the investor is that of the day the reimbursement payment is made, which must occur within a maximum of the third day subsequent to that on which the reimbursement amount is determined.
5. With the exception of "nominee" operations pursuant to point 5 in section I.2 above "Method for subscribing units", the Investor who has ordered the issuing of units into the cumulative certificate held with the Custodian can give instructions to the AMC to receive a scheduled unit reimbursement, with the simultaneous subscription of units from other AMC Funds, indicating:
 - the date on which the reimbursement plan and simultaneous reinvestment is to begin;
 - the frequency of the reimbursement and simultaneous reinvestment transactions, which may be monthly, quarterly, every six months or annually;
 - the amount to be divested, equal to pre-established amounts or corresponding to a given number of units, before any tax withholdings that may be applied. In any case, these amounts must be at least € 50;
 - the funds in which the reimbursed units are to be reinvested.

II. Units and certificates of investment.

1. Named certificates can be issued for whole numbers and/or fractions of units. When operations are carried out in "nominee" method, pursuant to point 5 of section I.2 above, "Method for subscribing units", the investor may request the issuing of a named certificate solely after revoking the mandate granted to the primary placer.
2. The Custodian, after receiving instructions from the AMC, makes certificates available to investors in the locations indicated in the Identification Card, as of the first business day after the day on which the subscriptions are settled.
3. If the units are not to be dematerialised, the investor may always request - at the time of subscription or subsequently - the issuing of a named certificate representing all or a portion of their units, or the issuing of the same in a cumulative certificate, held free of charge by the Custodian with specific listings for individual investors. The Custodian has the right to divide up the cumulative certificate, without any charges applying to the fund or the investors, also with the aim of separating the rights of individual investors. The investor may ask that the relevant units added to the cumulative certificate be indicated in a securities deposit account held by them. The maintaining of this account, additionally, will involve the payment of the costs envisaged in the relative

contract, which the investor must sign separately, as well as the relative tax charges envisaged in the regulations in effect.

4. Upon request from beneficiaries, conversion of certificates from bearer to named is allowed, as well as the division or grouping of named certificates.
5. At the time of subscription, the material delivery of the named certificate to the beneficiary may be delayed for the time necessary to verify that payment has been completed and, in any case, for no more than thirty days after the reference date.

III. Relevant bodies for investment decisions.

1. The AMC's administrative body is responsible for corporate management and determines the scope and details of delegated powers. It periodically verifies the suitability of the same.
2. The methods used for auditing activities by the delegating party and the Custodian are established in the context of the powers delegated to external subjects.
3. The AMC may be replaced if the AMC becomes unable to carry out its activities or due to a decision made by the same AMC to discontinue business. This replacement may occur solely after amendment to the Rules approved by the Bank of Italy and in methods so as to ensure continuity in the fund's operations.

IV. Expenses under the responsibility of the AMC.

The AMC is responsible for all expenses not specifically indicated as the responsibility of the fund or the investors.

V. Individual value of units and publication.

1. The individual value of the unit is calculated using the criteria established by the Bank of Italy, with the frequency indicated in the Identification Card, dividing the total net value of the fund by the number of units in circulation, both relative to the same reference day. The AMC sends a copy of these criteria to investors who request it, free of charge. Limited to the first 10 days in which the individual value of the unit is calculated, the daily value will remain unchanged at € 5.
2. The AMC suspends calculation of unit value under situations of force majeure that do not allow it to be determined in a regular manner. The AMC suspends publication of unit value under situations of force majeure that do not allow publication in a regular manner.
3. When these situations end, the AMC determines the individual value of the unit and disseminates it in the methods envisaged for unit value publication. Similarly, the unit values which had not been published are published.
4. In the case in which the published value is found to be mistaken, after the unit price has been recalculated, the AMC:
 - a) compensates investors who suffered damages and restores fund assets. The AMC may decide not to compensate an individual investor who obtained reimbursement of their units for an amount of less than that due, when the amount to be compensated is of limited amount and similar to the costs to issue and send the means of payment. The amount of this threshold is communicated at the time of subscription. If any adjustments are made, investors are informed at such time;
 - b) publishes a press release containing suitable disclosure of the event using the same methods envisaged to publish the unit value. The press release may also be prepared in a summary form, without listing all the adjusted values, without

prejudice to the right of the interested to obtain more detailed information from the AMC. In the case in which the amount of the mistaken value is of marginal size and the duration of the same was for a limited time (not exceeding five calculation days), the AMC - without prejudice to describing the event in the Annual Fund Management Report - may abstain from publishing the press release.

5. In the case of an error in calculating the unit value, when the value is in error for an amount not exceeding 0.1% of the correct value ("error irrelevance threshold"), the AMC will not compensate the investors and the fund and will not publish the disclosure envisaged in these Rules in the case of an error in calculating unit value.
6. The method used to calculate the individual unit value for each unit class guarantees the same performance for each class (in terms of percentage increase/decrease with respect to the previous reference value), before any charges applied to the class and any distribution of profits, or tax adjustments.

VI. Unit reimbursement.

VI.1 General provisions

1. Fund investors may, at any time, request full or partial reimbursement of the units held from the AMC. Reimbursement may be suspended in the cases envisaged by law, in these Rules and in the course of operations to liquidate the fund.
2. A request for reimbursement accompanied by certificates representing the units to be reimbursed - if issued - must be done through a specific request. The request must be sent or presented to the AMC directly, or through a subject assigned to carry out placement.
3. The reimbursement request - which may be prepared free-form, even if the AMC has prepared standard forms - contains:
 - the name of the fund subject to divestment;
 - the identifying information of the subject making the request;
 - the number of units or, alternatively, the amount to be liquidated, before any tax withholdings that may be applied;
 - the means of payment selected and instructions for paying the amount to be reimbursed;
 - in the case of partial reimbursement, any instructions relative to the certificate representing units not subject to reimbursement;
 - any other information requested under the regulations in effect.
4. The AMC contractually obliges placers - also pursuant to article 1411 of the Italian Civil Code - to send reimbursement orders collected by the first business day after the day on which they were received, by the time envisaged in point 5 below. In the case of reimbursement of units of Funds subscribed with the "nominee" method indicated under point 5 of section I.2 above, "Method for subscribing units", the primary placer sends a single reimbursement request to the AMC with the cumulative amount, broken down by each secondary placer, with all the reimbursement requests received from secondary placers and the sums to be liquidated.
5. The reimbursement value is determined on the basis of the individual value of the units on the day the AMC receives the request. Requests are considered to be received on a given day when they arrive at the AMC by 2:00 pm.
6. When determination of the fund value is not envisaged on the day the request is received, the reimbursement value is determined on the basis of the first fund value

determined subsequently. If on said date the value of the units does not amount to the specific amount indicated by the investor, if applicable, the relative instructions will be executed up to the amount available.

7. In order to protect other investors, the cases in which a reimbursement request or request for a switch to another fund/segment is considered to be of a significant amount, or close to the subscription date, are provided below; in these cases, different calculation methods to determine the reimbursement method for these units are defined.

More specifically:

- in the case of a sum of simultaneous reimbursement or switch requests coming from the same investor and/or relative joint account holders, for a total amount equal to or greater than 3% of the total value of the Fund, or in the case of requests close to the subscription date - meaning by this, those which the AMC receives in the ten business days subsequent to the subscription date - of an amount equal to at least 1% of the value of the fund (based on the last published unit value), the AMC reserves the right to determine the reimbursement amount in a manner different to that normally used, if necessary to ensure equal treatment for all Fund investors.

In these cases, the reimbursement value may be determined on the basis of the individual value of the unit on the fifth business day after the day the request was received. Payment of the sums must occur on the day after that on which the reimbursement value was determined. When these cases occur, the AMC promptly informs the investor of the date the reimbursement value is to be determined.

In the case of several reimbursement requests of significant amount, reimbursements carried out under the methods envisaged in this paragraph will be done in respect of the order the requests were received.

8. Through the Custodian, the AMC pays the amount as quickly as possible and no later than the end of the fifteenth day after the date on which the request was received, without prejudice to cases in which the right to reimbursement has been suspended. When operations are carried out in "nominee" method, pursuant to point 5 of section I.2 above, "Method for subscribing units", the Custodian may pay - as quickly as possible and no later than the end of the fifteenth day after the date on which the request was received - the amount relative to the total amount of reimbursement transactions to the primary placer, crediting the technical account opened in the name of the Custodian held with the primary placer. The latter, based on instructions received from the Custodian, debits the technical account for the same amount and, under its own responsibility and in compliance with the schedule indicated above and in the same currency, pays the reimbursements to the investors through the secondary placer (agent) to whom the investor granted the specific mandate.
9. The AMC has the right to suspend the right to reimbursement of units for a period not exceeding one month in the case that requests are presented of an amount - in relation to market trends - would require liquidation that could create serious damage to investors. Requests presented during the period of suspension are understood to have arrived upon the expiration of said period for the purposes of reimbursement.
10. The reimbursement obligation is extinguished at the moment the means of payment is received by the beneficiary.

VI.2 Method for reimbursing units

1. Reimbursement can occur through a bank transfer or through a non-transferable bank or cashier's cheque exclusively to the beneficiary or, in the case of operations in "nominee" method, pursuant to point 5 of section I.2 above, "Method for subscribing units", through the agent with one of the means of payments indicated in point I.2.6.
2. An investor who has arranged for the issuing of units in the cumulative certificate deposited with the Custodian may give instructions to the AMC to obtain scheduled reimbursement of units, indicating:
 - the fund name;
 - the date on which the reimbursement plan is to begin;
 - the periodic frequency of the reimbursement operations. Reimbursements may occur monthly, quarterly, every six months or annually;
 - the amount to be divested, equal to pre-established amounts or corresponding to a given number of units, before any tax withholdings that may be applied. These amounts cannot, in any case, be less than € 50.00. In the cases of operations in "nominee" method, pursuant to point 5 of section I.2 above, "Method for subscribing units", the amount to be divested must be equal to the pre-established amounts and not correspondent to a given number of units;
 - the bank and current account to which the divested amounts are to be credited.
3. Instructions for scheduled reimbursement can be given both at the time of subscription and subsequently. In the latter case, the instructions must reach the AMC, either directly or through placers, no later than 30 days prior to the date indicated for the initial operation. They also must include full identifying details for the investor and instructions relative to the means of payment.
4. Scheduled reimbursement is carried out on the basis of the individual value of the unit on the day established by the investor (or that immediately following in the case of stock market closure or an Italian national holiday) and the amount is made available to the requesting party on the date and using the methods indicated by the same. If on the date identified for calculating the reimbursement the value of the units does not reach the amount indicated in the relative instructions, the instructions are held to be invalid and are not carried out, even partially. In this case, the AMC will promptly inform the investor. In the cases of operations in "nominee" method, pursuant to point 5 of section I.2 above, "Method for subscribing units", the instructions are in any case, leading to the consequent extinguishing of the scheduled reimbursement plan.
5. Instructions for scheduled reimbursement of units are understood to be valid until notification of revocation is received from the investor, which must reach the AMC no later than 30 days prior to the date set for the reimbursement. Within the same time frame, the investor may request that an individual divestment coming due is not carried out, without terminating the reimbursement plan. If the investor makes use of this right more than two consecutive times, or if two consecutive times it is not possible to carry out the scheduled reimbursement in that the value of the units does not reach the scheduled amount, the AMC shall consider the instruction for scheduled reimbursement to be revoked. In any case, revocation of scheduled reimbursement does not involve any charges of any type for the investor in the fund.
6. This is without prejudice to the investor's right to request reimbursements in addition to those scheduled at any time.

VII. Amendments to the Rules.

1. Notification of the contents of each amendment to the rules is provided through a notice disseminated in accordance with the methods envisaged for publication of unit values.
2. The efficacy of any amendment that envisages the replacement of the AMC, or that involves the characteristics of the fund or has a negative impact on the equity rights of investors shall be suspended for 40 (forty) days after publication of the amendment in question. Said amendments shall be communicated to each investor, in addition to being published. Amendments to the rules that involve an increase in the charges applying to investors, other than those relative to expense reimbursement, are in any case not applied to the amounts already subscribed at the moment the amendments take effect, nor for amounts yet to be deposited in relation to already stipulated accumulation plans.
3. Amendments to the rules take immediate effect when they lead to more favourable economic conditions for the investors.
4. In other cases, the time frame for efficacy, which shall begin as of the date the amendments are published in the same sources used for publication of unit values, shall be established by the AMC, taking into account the interests of the investors.
5. A copy of the amended rules is sent free of charge to investors who request it.

VIII. Fund liquidation.

1. Liquidation of the fund occurs upon expiry of the term indicated in the *Identification Card* or that of any extension applied, or, prior to said date:
 - in the case of dissolution of the AMC;
 - in the case the AMC renounces fund management activities on the basis of just cause, in particular in the case of a reduction in the fund assets so as to not allow efficient provision of management and administrative services.
2. Liquidation of the fund is resolved on by the AMC's administrative body. The AMC informs the Supervisory Body, in advance, of its decision to liquidate the fund.
3. The Supervisory Body is also informed when the resolution is made. Liquidation occurs in accordance with the following methods:
 - a) announcement of the resolution to liquidate the fund must be published in the same sources envisaged for publication of unit values. Issuing and reimbursement of units is suspended as of the resolution date;
 - b) the AMC liquidates the fund's assets in the interests of the investors, under the supervision of the oversight body, based on the liquidation plan prepared by the administrative body and presented to the Supervisory Body, obtaining the best possible conditions for the assets in question;
 - c) after disposal is complete, the AMC prepares a final liquidation statement, accompanied by a Directors' Report, and a division plan which indicates the amounts due relative to each unit, to be determined on the basis of the ratio between the net amount achieved through disposal of assets and the number of units in circulation;
 - d) the AMC's independent auditor audits the accounts relative to the liquidation operations, as well as providing its own opinion on the final liquidation statement;
 - e) the final liquidation statement and the relative Directors' Report are filed with and displayed at the AMC and the Custodian, as well as disseminated through the same sources envisaged for publication of unit values, indicating the date on which reimbursement operations will begin. Individual investors are informed. Every investor may view the liquidation report and obtain a copy at their own expense;

- f) upon instructions from the AMC, the Custodian reimburses the units in the amount envisaged in the final liquidation report, after withdrawal and annulment of the certificates, if issued. Proportional division is allowed during the course of the liquidation procedure;
- g) any sums due to investors that have not been collected within three months of the date payment began remain deposited with the Custodian in an account held by the AMC, with an indication that they are the assets from fund liquidation, with further sub-listings indicating the ID information of the beneficiaries or the serial number;
- h) rights incorporated into certificates and coupons not presented for reimbursement based on that indicated in letter g) shall expire in favour of the AMC if not exercised within the terms set by law, starting on the day the reimbursement operations pursuant to letter e) began;
- i) the procedure is completed when the Bank of Italy is informed that division has occurred and of the amount not collected.