

Paris, 20 March 2019

RE: CHANGES TO THE CARMIGNAC COURT TERME FUND (ISIN: FR0010149161)

Dear Sir/Madam,

We would like to thank you for the trust you have placed in us. We are honoured to count you among the unitholders of the above fund (the "Fund").

We are writing to inform you of some upcoming changes to the Fund:

1. CHANGES:**a) Change subject to approval:**

Following the implementation of Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds (the "MMF Regulation") on 21 July 2018, the management company requested approval from the AMF for the Fund as a short-term variable net asset value (VNAV) money market fund. The Fund has been approved in accordance with the MMF Regulation as of 8 April 2019.

The Fund management company has decided to change how the Fund selects the securities in which it invests. The new investment process now uses a top-down approach and is divided into four stages, paying particular attention to ESG/SRI criteria.

This change was approved by the *Autorité des marchés financiers* (AMF) on 12 March 2019 and is effective as of 8 April 2019.

b) Changes not subject to approval:

The Fund management company has decided to delegate the investment management of the Fund to BNP Paribas Asset Management France (the "Investment Manager"), an asset management company with its registered office at 1, boulevard Haussmann, 75009 Paris and approved by the AMF under number GP6002.

The Fund management company has decided to modify the Fund's investment objective, which now aims to generate a performance greater than that of its reference indicator, the capitalised EONIA. This modification does not have any effect on the Fund's risk/reward profile.

The Fund management company has provided clarification on the use of derivatives. The Fund will no longer be able to use derivatives for exposure to interest rate risk; from now on, they can only be used for hedging interest rate risk.

The Fund management company has also updated the list of the Fund's statutory auditors.

These changes are effective as of 8 April 2019.

2. EFFECTS OF THESE CHANGES:**a. Risk profile:**

- Change to risk/reward profile: NO
- Increase in risk/reward profile: NO

b. Fee increase: NO

c. Change in the method used to select securities:

As of 8 April 2019, the method for selecting securities – currently based on the issuing companies’ fundamentals, their ratings and the evaluation of quantitative factors – will use a top-down approach that is divided into four stages:

- (i) Macroeconomic analysis and market forecasting
- (ii) Tactical asset allocation by instrument type
- (iii) Selection of sectors and issuers
- (iv) Selection of securities and yield curve positioning

When selecting sectors and issuers, we will take into account non-financial criteria covering environmental, social and governance (ESG) factors as defined by the Investment Manager’s non-financial research.

The Fund will adopt a best-in-class SRI approach that aims to identify the leading issuers in each sector (for companies) or each geographical area (for governments):

- (i) The Investment Manager has drawn up a list of issuers with the best ESG practices.
- (ii) The companies, governments and supranational bodies are analysed individually by a dedicated team of ESG/SRI analysts using internal ESG indicators, and are then compared to others in their sector (for companies) or geographical area (for governments).
- (iii) The issuers demonstrating the best practices are eligible for the portfolio (best-in-class approach).
- (iv) Conversely, the companies displaying the worst ESG practices within each sector are excluded (those in the bottom three deciles on a scale of 1 to 10).

d. Other changes:

| | Before | After |
|--|--|--|
| Fund approval in accordance with Regulation (EU) 2017/1131 | N/A | Short-term variable net asset value (VNAV) money market fund |
| Investment Manager | N/A | BNP Paribas Asset Management France |
| Investment objective | The investment objective is to preserve the capital and provide the same return as the capitalised EONIA, less actual management fees. | The investment objective of the Fund is, over a minimum investment horizon of one day, to outperform the Eurozone money market reference indicator (EONIA – Euro Overnight Index Average), less actual management fees, by investing in securities of issuers that integrate environmental, social and sustainability criteria into their operating methods. |
| Investment strategy – Description of financial contracts | N/A | All these instruments may be used to hedge the portfolio against interest rate risk. |
| Statutory Auditors | Cabinet VIZZAVONA, 64, boulevard Maurice Barrès – 92200 Neuilly-sur Seine - signatory: Patrice Vizzavona And KPMG AUDIT, 2, avenue Gambetta – 92066 Paris La Défense - signatory: Isabelle Bousquié | KPMG AUDIT, 2, avenue Gambetta – 92066 Paris La Défense - signatory: Isabelle Bousquié |

3. OTHER INFORMATION:

A version of the Fund prospectus containing all pending modifications may be obtained free of charge upon request from the Fund management company.

Please note the importance of reading the Key Investor Information Document (KIID). We recommend that you contact your advisor on a regular basis to discuss your investments.

Your usual advisor is available should you require any further information.

The KIID, prospectus and latest annual and semi-annual reports are available free of charge in French, English, German, Italian, Spanish and Dutch at www.carmignac.com.

- In Switzerland, from the Representative in Switzerland, CACEIS (Switzerland) SA, Route de Signy 35, CH-1260 Nyon. The Swiss Paying Agent is CACEIS Bank, Paris, Nyon/Switzerland branch, Route de Signy 35, 1260 Nyon.

The net asset values are published on www.carmignac.com and www.fundinfo.com.

Yours faithfully,

Christophe Peronin
Deputy Managing Director

Appendix

Modifications to the prospectus related to the Fund's approval in accordance with the MMF Regulation:

- New limits have been added for interest rate risk and credit risk; these limits are set by the MMF Regulation and apply to funds that have been approved by the AMF as short-term variable net asset value (VNAV) money market funds.
- The asset classes and financial instruments in which the Fund may invest have been modified to ensure compliance with the new requirements of the MMF Regulation applicable to funds that have been approved by the AMF as short-term variable net asset value (VNAV) money market funds.
- The securities that the Fund may receive as collateral have been adapted in line with the above amendments and with the provisions of the MMF Regulation.
- The Fund's credit risk assessment procedure has been amended in line with the new requirements set by the MMF Regulation.
- The methods used for the calculation and distribution of the proceeds of temporary purchases and sales of securities have been amended in line with the restrictions set by the MMF Regulation.
- The methods used for the valuation of balance sheet items and futures and options have been amended in line with the above modifications.
- A new section on assessing credit risk has been added in accordance with the provisions of the MMF Regulation.