French UCITS-compliant fund subject to European Directive 2009/65/EC

PROSPECTUS

I – GENERAL FEATURES

I-1 – Form of the Fund

Name: **NORDEN SMALL**

Legal form: French open-end investment company (*Société d'investissement à Capital Variable*)

Inception date – term: This SICAV was created on May 30th, 2013 for a period of 99 years.

Fund overview:

Share categories	ISIN code	Allocation of distributable income	Base currency	Eligible investors	NAV at inception	Minimum initial subscription
IC shares	FR0011474980	Allocation of net income: accumulation Allocation of net realised capital gains: accumulation	EURO	All subscribers	€100	One share
TC shares	FR0013305844	Allocation of net income: accumulation Allocation of net realised capital gains: accumulation	EURO	Authorised investors*	€100	€500.000 or more*

* T shares – Authorised investors and minimum subscription amount:

- No minimum subscription amount for (i) UCIs managed by the management company or (ii) the management company in the context of proprietary investment;
- No minimum subscription amount for (i) investors subject to MiFID II (solely and exclusively in the context of their independent advisory activities or the provision of third-party investment management services) or (ii) investors that do not receive retrocession payments on their activities in foreign countries that are not subject to this directive, subject to the prior agreement of the management company;
- An initial minimum subscription amount of €500.000 for all other investors.

The SICAV's prospectus, latest annual and periodic reports, the composition of assets and Lazard Frères Gestion SAS's standards regarding the exercise of voting rights, as well as the report on the exercise of voting rights, will be sent out within eight working days upon written request to:

LAZARD FRÈRES GESTION SAS
25, rue de Courcelles, 75008 Paris, France

Designated contact:

Client Services – Monday to Friday
9 a.m. to 5 p.m. – Tel.: +33 (0)1 44 13 01 79
where further information may be obtained if necessary.

I-2 - Service providers

Delegated management company:	**LAZARD FRÈRES GESTION SAS** 25, rue de Courcelles, 75008 Paris, France Management company incorporated under French law approved by the AMF on December 28th, 2004, under No. GP 04 0000 68
Custodian:	**LAZARD FRERES BANQUE** 121, boulevard Haussmann – 75008 Paris, France Credit institution incorporated under French law authorised by the French Credit Institutions and Investment Firms Committee (*Comité des Etablissements de Crédit et des Entreprises d'Investissement* - CECEI) under no. 30748 The custodian's functions, as set out in the applicable regulations, include safeguarding of the assets, ensuring the legality of decisions taken by the management company and monitoring of cash flow related to the Funds. Sub-delegation: A description of the functions of delegated custody agents, a list of the custody and sub-custody agents of Lazard Frères Banque, and information on conflicts of interest that may arise in relation to these agents are available on the Lazard Frères Banque website:http://lazardfreresbanque.fr Investors may obtain updated information on request. The custodian operates independently of the investment management company.
Delegated agent for the centralisation of subscription and redemption orders:	**CACEIS BANK:** 1-3, place Valhubert – 75013 Paris, France The management company has delegated the management of the Fund's liabilities to CACEIS Bank, which is therefore responsible for centralising and processing subscription and redemption orders for the Fund's shares. **LAZARD FRÈRES BANQUE,** on behalf of clients for whom it provides custody account-keeping services 121, bld Haussmann – 75008 Paris, France
Registrar of units or shares by delegation of the management company:	**CACEIS BANK** 1-3, place Valhubert – 75013 Paris, France
Statutory auditor:	
	MAZARS 61, rue Henri Regnault EXALTIS 92400 Courbevoie, France Signatory: Gilles Dunand-Roux
Other delegated service providers:	
Administrative sub-manager:	**LAZARD FRÈRES GESTION SAS** 25, rue de Courcelles, 75008 Paris, France
Accounting delegated to:	**CACEIS FUND ADMINISTRATION** Registered office: 1-3, place Valhubert – 75013 Paris, France
Management and Board of Directors:	
Administration, management and supervisory bodies:	The names and functions of the Chairman and members of the Board of Directors are available in the SICAV's annual report.

II – OPERATION AND MANAGEMENT

II.1 – General features

Share characteristics:	
- **ISIN codes:**	IC shares: FR0011474980 TC shares: FR0013305844
- **Nature of the rights attached to the SICAV's shares:**	Each shareholder has a co-ownership right in and to the assets of the SICAV in proportion to the number of shares owned.
- **Recording in a register or securities administration details:**	All shares are bearer shares. There is therefore no maintaining of a register of shareholders. The issuer account is managed by Lazard Frères Banque.
- **Voting rights attached to the SICAV's shares:**	Voting rights are attached to the SICAV's shares; the articles of association specify how these rights are exercised.
- **Form of shares:**	Bearer units. The SICAV is listed with Euroclear France.
- **Fractional or whole shares:**	Shares may be divided into tenths, hundredths or thousandths of a share.
- **Financial year end:**	Last valuation day in March.
- **First financial year end:**	Last valuation day in March 2014
- **Tax treatment:**	The SICAV is not subject to corporate income tax, but its shareholders are liable for tax on any distributions and/or capital gains. We advise investors to obtain information on their personal tax status from their usual advisers. The SICAV may be used with life insurance and savings policies. The SICAV is an eligible investment for an equity savings plan (Plan d'Epargne en Actions – PEA). The SICAV's "in" or "out" status as regards the investment thresholds of the EU directive on the taxation of savings is shown in the annual report.

II.2 – Other specifications

- Classification:	**INTERNATIONAL EQUITIES**
- Sub-investment manager:	**LAZARD FRÈRES GESTION SAS**
- Investment objective:	The Fund aims to outperform, over a minimum recommended investment period of five years and net of expenses, shares of small-cap companies of Nordic countries represented by the MSCI Nordic Small Cap index with net dividends reinvested.
- Benchmark:	The MSCI Nordic Small Cap index represents the performance of the small-cap equity markets of the Nordic countries (Sweden, Denmark, Norway and Finland). It is calculated in euros, with net dividends reinvested, based on closing prices.

1 – Strategies used

A company's rate of return on invested capital above the cost of capital reflects its economic performance, as shown in its long-term stock market performance. Accordingly, the strategy applied within the SICAV is based on the following:

- Identifying companies with the best economic performance profiles.
- Verifying that performance through financial analysis and examination of underlying strategies.
- Selecting these companies' shares based on the management team's assessment of the under valuation of this performance at a given moment in time.

The building of a portfolio of equities of between 35 and 60 Nordic companies having at the time of investment a capitalisation of between €100 million and €3 billion, without sector restrictions. The focus on achieving the optimum ratio between the company's economic performance and valuation may result in the portfolio having a sector and/or geographical composition that significantly differs from the benchmark and, therefore, in large differences between the SICAV's performance and that of this same benchmark.

2 – Assets (excluding embedded derivatives)

Equities:

- Equities of small-cap companies listed and/or domiciled in one of the four Nordic countries (Sweden, Norway, Denmark and Finland) for a minimum of 90% of the net assets (either directly or via specialised UCIs, but for a maximum of 10%).

- Equities of small-cap companies listed and/or domiciled in other European-area and/or American countries for a maximum of 10% of the net assets (either directly, or through specialised UCIs).

Debt securities and money market instruments:

- Investment-grade bonds issued by small-cap companies from the four Nordic countries (Sweden, Norway, Denmark and Finland) for a maximum 10% of the net assets.

- French or European debt securities and money market instruments for a maximum of 10% of the net assets, mainly French and Nordic treasury bills and fixed-rate treasury bills with annual interest.

UCIs:

- A maximum of 10% of portfolio net assets may be invested in units or shares of French or foreign UCITS or in units or shares of French or European Union-registered alternative investment funds or of foreign investment funds that meet the four criteria of Article R 214-13 of the French Monetary and Financial Code (Code monétaire et financier).
- Investment solely in UCIs that invest no more than 10% of their assets in other UCIs.

These UCIs may be managed by the management company.

The SICAV may use futures and options traded on French or non-French regulated, organised or over-the-counter markets, for a maximum of 100% of its net assets and solely as part of hedge transactions.

In this regard, the manager may take hedge positions to manage the SICAV's exposure to equity risk.

The decision on whether to hedge depends both on our strategy team's and the manager's assessment of the markets.

3 – Derivatives

- **Types of markets:**
  - ☒ regulated
  - ☒ organised
  - ☒ OTC
- **The manager intends to seek exposure to:**
  - ☒ equities
  - ☐ interest rate
  - ☒ foreign exchange
  - ☐ credit
  - ☐ other risks
- **Types of transactions – all transactions must be limited to achieving the investment objective:**
  - ☒ hedging
  - ☐ exposure
  - ☐ arbitrage
  - ☐ other
- **Type of instruments used:**
  - ☒ **futures and/or options:**
    - ☒ equity and equity index
    - ☐ interest rate
    - ☒ currency
  - ☒ **swaps:**
    - ☒ equity swaps
    - ☐ interest rate swaps
    - ☒ currency swaps
  - ☒ **forward foreign exchange contracts**
  - ☐ **credit derivatives**

Swaps will be the only OTC-traded instruments the Fund may use. The counterparties for swaps will be EU credit institutions.
The counterparties will not have a discretionary role; the rules will be established in advance by the SICAV's manager.

- **Derivatives strategy to achieve the investment objective:**

  ☒ partial or general portfolio hedging
  ☐ creating synthetic exposure to assets and risks
  ☐ increasing exposure to the market without leverage
  ☐ maximum permitted and sought
  ☐ other strategy

4 – Securities with embedded derivatives

The acquisition of these securities is not part of the SICAV's strategy. Nevertheless, the manager may invest in any securities with embedded derivatives permitted under the management company's business plan, notably warrants, certificates or rights acquired following transactions involving the portfolio securities.

5 – Deposits

Up to 10% of the SICAV's assets may be held in deposits.

6 – Cash borrowings

The SICAV may borrow cash within the limit of 10% of its assets to meet specific cash requirements related to its operating needs.

7 – Temporary purchases and sales of securities

None.

8 – Information on financial guarantees

In connection with over-the-counter derivative transactions, and in accordance with Position paper 2013-06 issued by the French financial markets regulator (*Autorité des Marchés Financiers* – AMF), the SICAV may receive collateral in the form of securities (such as bonds or other securities issued or guaranteed by a State or issued by international financing agencies and bonds or securities issued by high quality corporate issuers), or cash.
Any cash collateral received is reinvested in accordance with the applicable rules.
All such assets must be from high-quality issuers that are not an entity of the counterparty or its group, and must be liquid and diversified with low volatility.
Discounts may be applied to the collateral received; they take into account the quality of credit and the price volatility of the securities.

9 – Risk profile

Notice
Your money will be mainly invested in financial instruments selected by the management company. These instruments will be exposed to market trends and fluctuations.

- **Risk of capital loss:**

The SICAV is not guaranteed or protected, and therefore, there is a possibility that you may not get back the full amount of your initial investment.

- **Risk associated with managing and allocating discretionary assets:**

The SICAV's performance depends on both the securities and UCIs that the portfolio manager chooses and on the portfolio manager's allocation of assets. There is a risk that the manager may not select the best-performing securities and UCIs or choose the optimal asset allocation between markets.

- **Equity risk:**

Investors are exposed to equity risk. Fluctuations in share prices may have a negative impact on the SICAV's net asset value. The net asset value may decrease during periods in which equity markets are falling.

In addition, the volume of small- and mid-cap stocks listed on the stock exchange is relatively small and downward market movements can therefore be more pronounced and faster than for large caps. **The SICAV's net asset value may therefore decline rapidly and significantly.**

- **Liquidity risk:**

This is the risk that a financial market can absorb the volumes of sell (or buy) transactions only by significantly decreasing (or increasing) the price of assets when trade volumes are low or when there are market tensions, resulting in a possible decrease in the SICAV's net asset value.

- **Foreign exchange risk:**

The SICAV may invest in securities denominated in non-Eurozone currencies and in UCIs authorised to acquire securities denominated in non-Eurozone currencies. The value of such UCIs' assets may fall if exchange rates fluctuate, which may lead to a fall in the SICAV's NAV.

- **Counterparty risk:**

This is the risk associated with the SICAV performing over-the-counter transactions. These transactions, entered into with one or more eligible counterparties, potentially expose the SICAV to a risk of failure of any such counterparty, which may lead to default in payment.

- **Interest rate risk:**

Interest rate risk is the risk of a change in interest rates, which has an impact on the bond markets, such as the tendency for bond prices to move in the opposite direction to interest rates.
The SICAV is mainly invested in equities; interest rate risk is therefore insignificant. However, investors should note that share prices may be indirectly impacted by interest rate movements.

10 – Guarantee or protection

None.

11 – Eligible subscribers and typical investor profile

The SICAV is intended for all subscribers and, in particular, investors seeking exposure to "Nordic small- and medium-cap equity" risk.

The SICAV may be used with life insurance and savings policies.

Subscribers are strongly advised to diversify their investments sufficiently to avoid exposure solely to the risks of this SICAV.

Information on US investors:

The SICAV is not registered as an investment vehicle in the United States and its shares are not and will not be registered under the Securities Act of 1933 and, therefore, they may not be offered or sold in the United States to Restricted Persons, as defined hereafter.

A Restricted Person is (i) any person or entity located in the United States (including US residents), (ii) any corporation or any other entity subject to the laws of the United States or any state thereof, (iii) any US military personnel or any employee of a US government department or agency located outside the United States, or (iv) any other person that would be considered a US Person under Regulation S of the Securities Act of 1933, as amended.

FATCA:

Pursuant to the provisions of the Foreign Account Tax Compliance Act ("FATCA") applicable as of July 1st, 2014, if the SICAV invests directly or indirectly in US assets, the capital and income arising from such investments may be subject to withholding tax of 30%.

To avoid paying the 30% withholding tax, France and the United States have entered into an intergovernmental agreement under which non-US financial institutions ("foreign financial institutions") agree to institute procedures for identifying direct or indirect investors who qualify as US taxpayers and to provide certain information about these investors to the French tax authorities, which will disclose said information to the US tax authority, the Internal Revenue Service.

As a foreign financial institution, the SICAV undertakes to comply with the FATCA and to take all appropriate measures pursuant to the aforementioned intergovernmental agreement.

The amount that it is reasonable to invest in this SICAV depends on each investor's personal circumstances. To determine this, investors should take account of their personal financial situation, current needs and the recommended investment period, and should also consider their ability to assume risk or whether they prefer instead to opt for a more cautious

Recommended investment horizon: **5 years.**

12 – Determination of distributable income

The sums available for distribution by an undertaking for collective investments in transferable securities (UCITS) comprise:
1) net income plus retained earnings and plus or minus the balance of the revenue adjustment account.
Net income for the financial year is equal to the amount of interest, arrears, dividends, bonuses and prizes, directors' fees and all income generated by the securities that make up the SICAV's portfolio, plus income generated by temporary cash holdings and minus management fees and borrowing costs.
2) realised capital gains, net of expenses, less realised capital losses, net of expenses, recognised for the financial year, plus any net capital gains of the same kind recognised over previous years that have not been distributed or accumulated, plus or minus the balance of the capital gains adjustment account.

The amounts referred to in 1° and 2° may be distributed independently of each other, in whole or in part.

Distributable income shall be fully accumulated, with the exception of those amounts subject to compulsory distribution by law.

13 – Frequency of distribution

None: accumulation SICAV.

14 – Characteristics of the shares (base currency, division of shares, etc.)

The shares are denominated in euros. Shares may be divided into thousandths of a share.

15 – Terms and conditions of subscription and redemption

Subscription and redemption orders are accepted in amount and/or in shares.

Calculation of net asset value (NAV):

Date and frequency of NAV calculation:

- Valuation day (D) = the net asset value is calculated daily, except Saturdays and Sundays, public holidays in France and Sweden and days when there is no trading on the Paris and Stockholm stock exchanges.
- NAV calculation and publication date = the business day following the valuation day, i.e. (D+1)

Where/how NAV is published or made available:

The net asset value is notified daily online at:

www.lazardfreresgestion.fr.

and displayed in the management company's offices.

Address of the institutions designated to receive subscription and redemption orders:

- **CACEIS BANK:** 1-3, place Valhubert – 75013 Paris, France

Shareholders are reminded that orders transmitted to distributors other than the institution referred to above must take into consideration the fact that the cut-off time for the processing of orders applies to the said distributors vis-à-vis CACEIS Bank.
Consequently, such distributors may apply their own cut-off time, which may be earlier than the cut-off time indicated above, in order to take into account the time required to transmit orders to CACEIS Bank.

- **LAZARD FRÈRES BANQUE,** on behalf of clients for whom it provides custody account-keeping services

121, bld Haussmann – 75008 Paris, France

Processing, execution and settlement of orders:
Subscription and redemption orders processed before 11 a.m. on each NAV valuation day D will be executed on the basis of the NAV of valuation date D. This NAV is calculated on the business day following the valuation day, i.e. D+1.

Initial subscriptions may not be less than one share in the case of IC shares.
For TC shares:

- No minimum subscription amount for (i) UCIs managed by the management company or (ii) the management company in the context of proprietary investment;
- No minimum subscription amount for (i) investors subject to MiFID II (solely and exclusively in the context of their independent advisory activities or the provision of third-party investment management services) or (ii) investors that do not receive retrocession payments on their activities in foreign countries that are not subject to this directive, subject to the prior agreement of the management company;
- An initial minimum subscription amount of €500.000 for all other investors.

Subscription settlement date: Two business days following the valuation date (D+2 business days).
Redemption settlement date: Two business days following the valuation date (D+2 business days).

Subscriptions preceded by a redemption received from the same shareholder on the same day for the same number of shares at the same NAV may be executed.

16 – Fees and expenses

- **Subscription and redemption fees:**

  Subscription and redemption fees are added to the subscription price paid by the investor or deducted from the redemption price paid. The fees earned by the SICAV are used to cover the charges that it incurs in investing or divesting the assets under management. The remaining fees are paid to the management company, the distributor, etc.

Charges payable by the investor during subscription and redemption	*Basis*	*Rate*
Subscription fees not retained by the SICAV (IC and TC shares)	NAV x number of shares	Maximum 4% incl. taxes
Subscription fees retained by the SICAV (IC and TC shares)	n/a	None
Redemption fees not retained by the SICAV (IC and TC shares)	n/a	None
Redemption fees retained by the SICAV (IC and TC shares)	n/a	None

Expenses charged to the SICAV	*Basis*	*Rate*	
Financial management fees:	Net assets	**IC shares:** Maximum 1,980% incl. taxes **TC shares:** Maximum 1,20% incl. taxes	
Administrative fees external to the management company	Net assets	Maximum 0,020% incl. taxes	
Turnover commission (incl. taxes) (0% to 100% received by the management company and 0% to 100% received by the custodian)	Charged on each transaction	**Equities, debt securities and foreign exchange**	0% to 0,25% incl. taxes
		Futures and other transactions	€0 to €450 incl. taxes per contract
Performance fee (TC shares only)	Net assets	20% of annual performance above the MSCI Nordic Small Cap index, calculated in euros with net dividends reinvested based on closing prices*	

*** Calculation of the performance fee:**

Performance fees are calculated using a high water mark system based on a comparison of the performance of each share of the SICAV's assets (excluding variable management fees) with the assets of a benchmark fund:

- with a baseline value equal to the value of the SICAV's assets at the close of the last year to date in which performance fees were charged;

- and with a daily performance equal to that of the MSCI Nordic Small Cap index, calculated in euros with net dividends reinvested based on closing prices and registering the same variations in subscriptions and redemptions as the SICAV.

If, at the close of the financial year, the SICAV's assets (excluding variable management fees) exceed those of the benchmark fund, a performance fee will be charged equal to 20% (including taxes) of the difference in value between the SICAV's assets and the benchmark fund.

The performance fee will first be deducted after a period of 12 months or more.

Performance fees are accrued on each NAV calculation date and are levied with effect from the closing date of each financial year.

A provision reversal will be booked every time that the difference between the two asset values decreases. In the event of underperformance (the asset value of the SICAV is lower than the asset value of the benchmark fund), the provision will be reversed until the entire allocation is extinguished, excluding variable management fees payable to the fund.

The provisions in existence at the end of the financial year, and the portion of the fee deriving from purchases of shares during the financial year, will be paid to the management company.

Only the contributions payable for the management of the UCI pursuant to Article L. 621-5-3 II 3° d) of the French Monetary and Financial Code and any exceptional legal costs related to debt recovery are outside the scope of the three blocks of charges referred to above.

Repurchase agreements are executed at market prices.

All revenue resulting from efficient portfolio management techniques, net of direct and indirect operating costs, is returned to the SICAV. All costs and fees relating to these management techniques are borne by the SICAV.

WITH THE EXCEPTION OF BROKERAGE AND ACCOUNTING FEES, ALL OF THE CHARGES REFERRED TO ABOVE ARE LEVIED AS PART OF THE JOINT VENTURE ARRANGEMENT BETWEEN Lazard FRÈRES BANQUE AND Lazard FRÈRES GESTION SAS which since 1995 has enabled them to pool their financial control, administration, securities custody and execution resources.

17 – Outline of the intermediary selection procedure

The selection of intermediaries used in equity fund management is a result of:

- requests from managers to add new brokers
- a financial analysis of the intermediary's accounts, carried out externally.

These intermediaries are used exclusively in terms of inflows relating to equities. Lazard Frères Gestion's Broker Committee ratifies all decisions to authorise new intermediaries.

At least twice yearly, the equity investment team holds a Broker Committee meeting to evaluate the services of its intermediaries, by reviewing four key criteria:

- research
- services offered
- quality of execution

Information about the use of investment decision-making support and order execution services can be found on the management company's website (www.lazardfreresgestion.fr).

III - SALES AND MARKETING INFORMATION

Publication of information about the SICAV:	**LAZARD FRÈRES GESTION SAS** 25, rue de Courcelles, 75008 Paris, France **Customer Relations** ☎ +33 (0)1 44 13 01 79

Information regarding environmental, social and corporate governance (ESG) issues is available on the management company's website (www.lazardfreresgestion.fr) and will be included in the SICAV's annual report.

The management company may send, directly or indirectly, information on the composition of the Fund's assets to the Fund's shareholders for purposes related solely to shareholders' regulatory obligations. This information will be sent, where applicable, within a period not less than 48 hours after publication of the NAV.

IV – INVESTMENT RULES

The SICAV is a UCI incorporated under French law the investment rules of which are defined in the regulatory part of the French Monetary and Financial Code.

V – AGGREGATE RISK

The SICAV's aggregate risk is calculated using the commitment method.

VI – ASSET VALUATION AND ACCOUNTING RULES

1 – Asset valuation rules

1.1. Financial instruments and securities traded on a regulated market are valued at their market price.

- **Marketable securities:**

- **Shares and similar securities** are valued on the basis of the last known price on their main market.

If applicable, prices are translated into euros using the exchange rate prevailing in Paris on the valuation day (as published by WM Closing).

- **Fixed-income securities**

Fixed-income securities are for the most part marked to market based on either Bloomberg prices (BGN)® derived from averages of contributed prices, or on those of direct contributors.
There may be a discrepancy between the carrying amounts, valued as indicated above, and the actual disposal prices that would be obtained if a portion of these portfolio assets were to be sold.

Bonds and similar instruments are valued on the basis of the average of the closing prices gathered from several contributors.

Financial instruments whose prices have not been determined on the valuation day or whose prices have been adjusted are valued at their probable trading price under the responsibility of the

management company. These estimates and their supporting documentation will be provided to the statutory auditor during audits.

However, the following instruments are valued using the following specific methods:

Negotiable debt securities:

- **Negotiable debt securities with a residual maturity of more than three months:**
  Negotiable debt securities traded in large volumes are valued at market price. In the absence of significant trading volumes, these securities are valued using an actuarial method, with a benchmark rate plus, where applicable, a margin representative of the issuer's intrinsic features.

Benchmark rate	
Negotiable debt securities in euros	**Negotiable debt securities in other currencies**
Euribor, OIS swaps and French treasury bills - 3 – 6 – 9 – 12 months BTAN medium-term treasury notes - 18 months, 2 – 3 – 4 – 5 years	Main official rates of the countries concerned.

- **Negotiable debt securities with a residual maturity of three months or less:**
  Negotiable debt securities with a residual maturity of three months or less are valued using the straight-line method. However, this method would not be applied if any of these securities were particularly sensitive to market movements.

- **UCIs:**
  Units or shares of UCIs are valued at the last known net asset value.
  Units or shares of UCIs for which net asset values are published monthly may be valued on the basis of interim net asset values calculated from estimated prices.

- **Temporary purchases and sales of securities**
  - Securities purchased under repurchase agreements are valued at their contract price using an actuarial method with a benchmark rate (overnight EONIA, one- or two-week interbank rates, one- to 12-month EURIBOR) corresponding to the term of the contract.

  - Securities sold under repurchase agreements continue to be valued at their market price. Liabilities on securities sold under repurchase agreements are calculated using the same method as that used for securities purchased under repurchase agreements.

- **Futures and options**
  - Futures and options are valued on the basis of intraday trading prices the timing of which is based on that of the valuation of the underlying assets.

Positions taken on the futures or options markets and over the counter are valued at their market price or at the value of the equivalent underlying asset.

1.2. Financial instruments and securities not traded on a regulated market

All of the SICAV's securities are traded on regulated markets.

1.3 Valuation methods for off-balance sheet commitments

Off-balance sheet transactions are valued at the commitment value.

The commitment value for futures contracts is equal to the price (in the SICAV's currency) multiplied by the number of contracts multiplied by the face value.
The commitment value for options is equal to the price of the underlying security (in the SICAV's currency) multiplied by the number of contracts multiplied by the delta multiplied by the face value of the underlying security.
The commitment value for swaps is equal to the face value of the contract (in the SICAV's currency).

2 – Accounting policies

The SICAV complies with the accounting rules prescribed by current regulations, in particular the accounting standards applicable to UCIs.

The financial statements are presented in accordance with statutory provisions on the preparation and publication of financial statements of undertaking in collective investments in transferable securities.

- **Income from fixed-income securities**

  - Income from fixed-income securities is recorded on the basis of accrued interest.

- **Management fees**

  - Management fees are calculated at a flat rate on each valuation date.

  - The annual management fee rate is applied to gross assets (equal to net assets before deduction of the day's management fees) using the following formula:

$$\text{Gross assets} \times \text{operating and management fees rate} \times \frac{\text{no. of days between the calculated NAV and the previous NAV}}{365 \text{ (or 366 in a leap year)}}$$

  - This amount is then recorded in the Fund's income statement and paid in full to the management company.

  - The management company pays the Fund's operating fees, including for:

    . financial management;
    . administration and accounting;
    . custody services;
    . other operating fees:
    . statutory auditors' fees;
    . legal notices (BALO, Petites Affiches, etc.) if applicable.

  These fees do not include transaction charges.

- **Transaction charges**

Transactions are recorded excluding charges.

- **Retrocessions received on management fees or entry charges**

The method used to calculate retrocession amounts is set out in the sales and marketing agreements.

- If the amount is significant, a provision is recognised in account 619.
- The final amount is recognised upon settlement of invoices after reversal of any provisions.

The Fund's Articles of Association

NORDEN SMALL

Registered office: 121, Boulevard Haussmann, 75008 - Paris, France

Paris Trade and Companies Register No. 793 287 665

TITLE I

FORM - OBJECT - NAME - REGISTERED OFFICE - TERM OF THE COMPANY

Article 1 FORM

An open-end investment company (Société d'Investissement à Capital Variable – SICAV) shall be formed among the holders of shares created hereinafter and shares to be subsequently created. The SICAV shall be governed notably by the provisions of the French Commercial Code concerning limited companies (sociétés anonymes) (Book II – Title II – Chapter V), the French Monetary and Financial Code (Book II – Title I – Chapter IV – Section I – Sub-section I), their implementing texts, subsequent texts and by these articles of association.

Article 2 OBJECT

The purpose of this company is to set up and manage financial instruments and deposits.

Article 3 NAME

The company's name is: **"NORDEN SMALL"** FOLLOWED BY THE NOTATION "SOCIÉTÉ D'INVESTISSEMENT À CAPITAL VARIABLE", WITH OR WITHOUT THE TERM "SICAV".

Article 4 REGISTERED OFFICE

The registered office is established at 121, boulevard Haussmann, 75008 Paris, France.

Article 5 TERM

The company's term is 99 years, commencing from its registration with the Trade and Companies Register, except in the event that the SICAV is dissolved before the end of the term or extended pursuant to these regulations.

TITLE II

CAPITAL - CHANGES IN CAPITAL - FEATURES OF THE SHARES

Article 6 SHARE CAPITAL

The initial share capital is three hundred and fifty thousand euros (€350 000) divided into three thousand five hundred (3 500) fully paid up shares of one hundred (100) euros each.

It was created from cash payments.

THE FEATURES OF THE DIFFERENT SHARE CLASSES AND THEIR ELIGIBILITY REQUIREMENTS ARE SET OUT IN THE SICAV'S PROSPECTUS.

The different share classes may:
- apply different dividend policies (distribution or accumulation);
- be denominated in different currencies;
- be subject to different management fees;
- be subject to different subscription and redemption fees;
- have a different par value;
- be systematically hedged, in full or in part, against risk as set out in the prospectus. This hedging is achieved through financial instruments that reduce to a minimum the impact of hedging transactions on the UCITS' other share classes;
- be reserved to one or more distribution networks.

The shares may be combined or split upon the decision of the extraordinary shareholders' meeting.

The shares may be sub-divided upon the decision of the board of directors into tenths, hundredths, thousandths or ten-thousandths, referred to as fractional shares.

The provisions hereof governing the issue and redemption of shares shall apply to fractional shares, the value of which shall always be proportional to the value of the share they represent. Unless otherwise stipulated, all other provisions of the articles of association relating to shares shall automatically apply to fractional shares.

Article 7 CHANGES IN CAPITAL

The amount of capital may be changed as a result of the issue of new shares by the company and reductions following the redemption of shares by the company for shareholders who so request.

Article 8 ISSUANCE AND REDEMPTION OF SHARES

Shares may be issued at any time upon request of shareholders on the basis of the net asset value plus subscription fees, if any.

Redemptions and subscriptions shall be made under the conditions and in accordance with the procedures set out in the prospectus.

All subscriptions to new shares must, under pain of being declared void, be fully paid up and the shares issued shall have the same dividend date as that of the existing shares on the issuance date.

Pursuant to Article L. 214-7-4 of the French Monetary and Financial Code, redemption by the company of its shares, and the issue of new shares, may be temporarily suspended by the board of directors in exceptional circumstances and if required in the interests of shareholders.

No shares may be redeemed if the net assets of the SICAV are less than the regulatory amount.

Article 9 CALCULATION OF NET ASSET VALUE

The net asset value of the shares is calculated according to the valuation rules set out in the prospectus.

Further, if the shares are listed for trading, the exchange operator will calculate an instant indicative net asset value.

CONTRIBUTIONS IN KIND MAY CONSIST ONLY OF SECURITIES, STOCKS OR CONTRACTS THAT ARE ELIGIBLE TO FORM THE ASSETS OF UCITS; THEY ARE VALUED ACCORDING TO THE VALUATION RULES USED TO CALCULATE THE NAV.

Article 10 FORM OF THE SHARES

The shares may have the form of bearer or registered shares, as selected by the subscriber.

Pursuant to Article L. 211-4 of the French Monetary and Financial Code, the securities must be registered in accounts kept by the issuer or an authorised intermediary, as the case may be.

Holders' rights will be represented by an entry in an account their name:
- with the intermediary of their choice for bearer securities;
- with the issuer and, if they so wish, with the intermediary of their choice for registered securities.

The company may, at its own expense, request the name, nationality and address of the SICAV's shareholders, as well as the number of securities held by each of them, in accordance with Article L. 211-5 of the French Monetary and Financial Code.

Article 11 ADMISSION FOR TRADING ON A REGULATED MARKET AND/OR A MULTILATERAL TRADING SYSTEM

The shares may be admitted for trading in a regulated market and/or a multilateral trading system, depending on the applicable regulations.

If the SICAV whose shares are admitted to trading in a regulated market has an investment objective based on an index, it must have set up a system to ensure that the price of its share does not deviate significantly from its net asset value.

Article 12 RIGHTS AND OBLIGATIONS ATTACHED TO THE SHARES

Each share confers the right, in proportion to the fraction of the share capital represented, to a share in the ownership of the company's assets and of the company's profits.

The rights and duties attached to a share shall be transferred to any owner thereof.

Whenever the exercise of a right is conditional upon a certain number of shares being held and specifically in the case of a swap or consolidation of shares, holders of individual shares or of less than the required number of shares may only exercise such rights if they personally undertake to consolidate their holdings and, if applicable, to buy or sell the necessary quantity of shares.

Article 13 INDIVISIBILITY OF SHARES

All co-owners of shares or assignees are required to be represented with the company by a single person named by mutual agreement or, failing such agreement, appointed by the Chief Judge of the Commercial Court with jurisdiction for the registered offices.

In cases where beneficial ownership and bare ownership are separated, the division of voting rights at shareholders' meetings between the beneficial owner and the bare owner is left to the discretion of the parties concerned, who should inform the company accordingly.

TITLE III

ADMINISTRATION AND MANAGEMENT OF THE COMPANY

ARTICLE 14 Administration

The company is administered by a board of directors with at least three and no more than 18 members, appointed by the shareholders' meeting.

During the life of the company, the directors shall be appointed or re-appointed by the ordinary shareholders' meeting.

The directors of the company may be natural persons or legal entities. In the case of a legal entity, on appointment, they must designate a permanent representative who is subject to the same conditions and obligations and bears the same civil and criminal liability as if they themselves were a member of the board of directors, without prejudice to the liability of the legal entity they represent.

This permanent mandate is given for the duration of the legal entity's own mandate. If the legal entity terminates the appointment of its representative, it must notify the SICAV immediately by registered mail and also inform the SICAV of the identity of its new permanent representative. The same shall apply in the event of the death, resignation or extended impediment of the permanent representative.

Article 15 TERM OF OFFICE OF DIRECTORS -REPLACEMENT OF THE BOARD

Subject to the provisions of the final paragraph of this article, the directors' term of office is three years for initial directors and up to six years for subsequent directors, with each year being understood as the period between two consecutive annual shareholders' meetings.

If one or more directors' seats become vacant between two shareholders' meetings as a result of death or resignation, the board of directors may make interim appointments.

A director appointed by the board on an interim basis to replace another shall remain in office only for the remaining term of office of his predecessor. This appointment shall be subject to ratification at the next shareholders' meeting.

All directors shall be eligible for re-election. They may be dismissed at any time by the ordinary shareholders' meeting.

Each director's term of office shall expire at the close of the ordinary shareholders' meeting called to approve the financial statements for the past financial year and held in the year during which the director's term of office expires, it being understood that, if the meeting

is not held in that year, the term of office of the director concerned shall expire on December 31st of the same year, subject to the exceptions hereafter.

All directors may be appointed for a term of less than six years where necessary to ensure that changes are made as regularly as possible and that all members have changed by the end of each six-year period. This is notably the case if the number of directors is increased or decreased and the renewal frequency has been affected.

Where the number of members of the board of directors falls below the legal minimum, the remaining member or members must immediately call an ordinary shareholders' meeting in order to fill the vacant seats on the board.

The age limit for members of the board of directors is set at 80. Nevertheless, directors older that this age limit may in exceptional cases have their mandate renewed for a period of six years; no more than three directors may be renewed under these conditions.
The board of directors may be renewed by rotation.

In the event of the resignation or death of a director, and where the number of directors still in office is equal to or greater than the statutory minimum, the board may appoint a temporary replacement for the remaining term of office.

Article 16 BUREAU OF THE BOARD

The board shall elect a chairman from among its members for a term determined by it, but which may not exceed the chairman's term of office as a director. The chairman must be an individual.

The chairman of the board of directors shall organise and direct the board's activities, and shall report on these to the shareholders' meeting. The chairman shall oversee the smooth operation of the company's management bodies and in particular shall ensure that the directors are capable of fulfilling their duties.

If he considers it appropriate, he shall also appoint a vice- chairman and may also choose a secretary, who need not be member of the board.

In the event of the temporary incapacity or death of the chairman, the board of directors may agree to delegate the chairman's functions to a director.

Article 17 BOARD MEETINGS AND DELIBERATIONS

The board of directors shall meet when convened by the chairman, as often as the company's interests require, either at the registered offices or at any other location indicated in the notice of meeting.

Whenever the board has not met for more than two months, at least one-third of its members may ask the chairman to convene a meeting based on a specific agenda. The chief executive officer may also ask the chairman to convene a board of directors' meeting to deal with a specific agenda. The chairman is bound by such a request.

Company bylaws may determine, in accordance with legal and regulatory provisions, the conditions for organising meetings of the board of directors, which except when held for the adoption of resolutions that are expressly excluded from this option under the French Commercial Code, may take place via video-conference.

Invitations may be sent to the directors by post or verbally.

A quorum of at least half the members is required in order for decisions to be valid. Decisions are adopted by a majority vote of members present or represented. Each director holds one vote. In the case of a split-vote, the chairman has the casting vote.

Where video-conferencing is permitted, the company's articles of association may stipulate, in accordance with the regulations in force, that directors participating in a board of directors' meeting via video-conference are deemed present for the purpose of quorum and majority calculations.

Article 18 MINUTES

Minutes are written up and copies or excerpts of decisions are issued and certified as required by law.

Article 19 POWERS OF THE BOARD OF DIRECTORS

The board of directors steers the company's activity and oversees correct execution. Within the limits of the corporate object and subject to the powers expressly granted by law to shareholders' meetings, the board shall consider any issue that affects the proper operation of the company and settle any matters concerning the company through its decisions.

The board of directors shall carry out such controls and audits that it considers appropriate.

The chairman or the chief executive officer is required to provide each director with all documents and information needed to perform his or her duties.

A director may authorise another director to represent him at a meeting of the board of directors.

Each director shall have only one such power of attorney during a single session.

The provisions set out above shall apply to permanent representatives of directors who are legal entities.

Article 20 EXECUTIVE MANAGEMENT – NON-VOTING BOARD MEMBERS

The executive management of the company shall be the responsibility of the chairman of the board of directors or of another natural person appointed by the board of directors and holding the title of chief executive officer.

The choice of these two methods shall be made in accordance with the terms of these articles of association by the board of directors for a term that shall run until the expiry of the functions of the current chairman of the board of directors. Shareholders and third parties shall be informed of this choice under the conditions defined by the applicable legislative and regulatory provisions.

Based on the board of directors' choice as stipulated above, the company will be managed by either the chairman or a chief executive officer.

When the board of directors decides to separate the functions of chairman and chief executive officer, it shall appoint a chief executive officer and shall decide on his/her term of office.

If the chairman of the board of directors assumes responsibility for the executive management of the company, the following provisions regarding the chief executive officer shall apply.

Subject to the powers expressly attributed by law to shareholders' meetings as well as those specifically reserved by law to the board of directors, and within the limits of the corporate purpose, the chief executive officer is vested with the broadest powers to act in all circumstances on behalf of the company. He shall exercise these powers within the limits of the corporate object and subject to the powers expressly attributed by law to shareholders' meetings and the board of directors. He shall represent the company in its dealings with third parties.

The chief executive officer may authorise any partial delegation of his powers to any person of his choice.

The chief executive officer may have his/her appointment revoked at any time by the board of directors.

At the request of the chief executive officer, the board of directors may appoint up to five deputy chief executive officers to assist the chief executive officer.

Deputy chief executive officers may be removed from office at any time by the board upon the recommendation of the chief executive officer.

In agreement with the chief executive officer, the board shall determine the scope and duration of the powers delegated to deputy chief executive officers.

Such powers may include a right of partial delegation. If the chief executive officer resigns or is dismissed or is unable to perform his duties, the deputies shall retain their powers and positions, unless the board decides otherwise, until the appointment of a new chief executive officer.

Deputy chief executive officers shall have the same powers vis-à-vis third parties as the chief executive officer.

The age limit of the chief executive officer and deputy chief executive officers is set at 65.

The shareholders' meeting may appoint one or more non-voting board members.

The term of office for non-voting board members shall be a maximum of six years. It shall expire at the close of the ordinary shareholders' meeting called to approve the financial statements for the past financial year and held in the year during which the non-voting board members' term of office expires.
Non-voting board members may be re-elected at any time without limitation; they may be removed from office at any time upon the decision of the shareholders' meeting.

In the event of the death or resignation of one or more non-voting board members, the board of directors may co-opt their successor(s), this provisional appointment being subject to ratification at the next shareholders' meeting.

Non-voting board members are responsible for ensuring the strict enforcement of the articles of association. They attend the board of directors' meetings in a consultative role. They examine statements of assets and liabilities and the annual financial statements and offer their comments on these matters to the shareholders' meetings when they consider it appropriate to do so. Remuneration of non-voting board members is decided upon by the board.

Article 21 BOARD ALLOCATIONS AND REMUNERATION

Directors' fees may be paid to voting and non-voting board members.

The board of directors may also allocate special payments for tasks and duties assigned to directors; any such payments will be charged to operating expenses and subject to the approval of the ordinary shareholders' meeting.

No other permanent or other type of remuneration may be allocated to the directors unless they hold an employment contract with the company under the conditions set out by law.

ARTICLE 22 Custodian

The custodian is appointed by the board of directors.

The custodian performs the tasks for which it is responsible under applicable laws and regulations as well as those assigned to it contractually by the SICAV or the management company. In particular, the custodian must ensure that the decisions of the management company are lawful. It shall take any protective measures it considers appropriate. In the event of a dispute with the management company, it shall inform the AMF.

Article 23 PROSPECTUS

The board of directors or, where the SICAV has delegated full responsibility for management, the management company, has all necessary powers to make, as needed, any amendments to the prospectus to ensure the proper management of the company, pursuant to the legislative and regulatory provisions specific to SICAVs.

TITLE IV

STATUTORY AUDITORS

Article 24 APPOINTMENT - POWERS – REMUNERATION

The statutory auditor is appointed by the board of directors for a term of six financial years, following AMF approval, from among persons authorised to perform such duties in commercial companies.

The statutory auditor shall certify that the financial statements give a true and fair view of the company.

The statutory auditor's term may be renewed.

The statutory auditor has a duty to report promptly to the AMF any fact or decision concerning the Fund of which he has become aware in the course of his duties and which is liable to:

1° Constitute a breach of the laws or regulations that apply to that fund and that is likely to have significant effects on its financial situation, profits or assets;
2° Affect the conditions or the continuity of its operations;
3° lead to the expression of reservations or refusal to certify the accounts.

The statutory auditor shall oversee the valuation of assets and the calculation of exchange ratios used in the event of a conversion, merger or split.

The statutory auditor shall assess any contribution in kind under his own responsibility.

He shall verify the accuracy of the composition of assets and other information prior to publication.

The statutory auditor's fees shall be set by mutual agreement between the statutory auditor and the SICAV's board of directors, on the basis of a work schedule setting out the procedures deemed necessary.

The statutory auditor shall certify the positions used as the basis for the distribution of interim dividends.

TITLE V

SHAREHOLDERS' MEETINGS

Article 25 SHAREHOLDERS' MEETINGS

Shareholders' meetings shall be convened and shall deliberate under the conditions provided for by law.

The annual shareholders' meeting, which must approve the company's financial statements, must be held within four months of the close of the financial year.

Meetings shall be held either at the registered offices or at any other location specified in the notice of meeting.

Each shareholder may participate in the shareholders' meetings, either in a personal capacity or by appointing another person as proxy, subject to proof of identity and share ownership either in the form of registration in the registered share accounts held by the company or of registration in the bearer securities registry, at the places specified in the notice of meeting; these formalities must be completed two days before the meeting date.
A shareholder may be represented at a meeting in accordance with Article L.225-106 of the French Commercial Code.

A shareholder may also vote by correspondence under the conditions set out in the regulations in force.

Shareholders' meetings shall be chaired by the chairman of the board of directors or, in his absence, by a vice-chairman or a director appointed by the board for that purpose. Failing this, the shareholders' meeting shall elect the chairman itself.

Minutes of meetings shall be written up and copies certified and issued as required by law.

TITLE VI

ANNUAL FINANCIAL STATEMENTS

Article 26 FINANCIAL YEAR

The financial year begins on the day after the last trading day in Paris in March and ends on the last trading day in Paris in the same month of the following year.
However, by way of exception, the first financial year includes all operations carried out between the inception date and March 31st, 2014.

Article 27 ALLOCATION OF DISTRIBUTABLE INCOME

Distributable income consists of:

1) net income plus retained earnings, plus or minus the balance of the revenue adjustment account.

Net income for the financial year is equal to the amount of interest, arrears, dividends, bonuses and prizes, directors' fees and all income generated by the securities that make up the SICAV's portfolio, plus income generated by temporary cash holdings and minus management fees and borrowing costs.

2) realised capital gains, net of charges, minus realised capital losses, net of charges, recognised for the financial year, plus any net capital gains of the same kind recognised over previous years that have not been distributed or accumulated, plus or minus the balance of the capital gains adjustment account.

The amounts referred to in 1) and 2) may be distributed independently of each other, in whole or in part.

Distributable income shall be fully accumulated, with the exception of those amounts subject to compulsory distribution by law.

TITLE VII

EXTENSION - DISSOLUTION - LIQUIDATION

Article 28 EXTENSION OR EARLY DISSOLUTION

The board of directors may, at any time and for any reason, recommend the extension, early dissolution or liquidation of the SICAV to an extraordinary shareholders' meeting.

The issue of new shares and redemption by the SICAV of shares for shareholders who so request shall cease on the date of publication of the notice of the shareholders' meeting at which a resolution for the early dissolution and liquidation of the company is considered, or at the end of the company's term.

ARTICLE 29 Liquidation

Liquidation procedures are established in accordance with Article L. 214-12 of the French Monetary and Financial Code.

At the end of the term set by the articles of association or in the case of a resolution for early dissolution, the shareholders' meeting shall decide, on the recommendation of the board of directors, the method of liquidation and shall appoint one or more liquidators.

The liquidator shall represent the company. The liquidator is authorised to pay the creditors and divide out the available balance. The appointment of the liquidator shall terminate the powers held by the directors, but not those held by the statutory auditor.

The liquidator may, pursuant to a resolution of the extraordinary shareholders' meeting, contribute all or part of the assets, rights and obligations of the dissolved company to another company, or transfer such assets, rights and obligations to a company or to any other person.

The net proceeds from the liquidation, after settlement of liabilities, shall be distributed in cash or securities among the shareholders.

During the liquidation process, the duly constituted shareholders' meeting shall retain the same authority as during the life of the company, including in particular the power to approve the liquidation accounts and discharge the liquidator.

TITLE VIII

DISPUTES

Article 30 JURISDICTION - ADDRESS FOR SERVICE

Any disputes that may arise during the company's operations or at the time of its liquidation, either between shareholders and the company or among the shareholders themselves, concerning the business of the company, shall be judged in accordance with the law and submitted to the courts with jurisdiction.

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