AXA Fixed Income
An AXA Investment Managers Expertise

Key Investor Information

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

AXA IM Euro Credit Bonds

Unit class: AXA IM Euro Credit Bonds EUR Capitalisation (ISIN: FR0011612860)

This Fund is managed by AXA IM Paris, part of the AXA IM Group

Objective and Investment Policy

AMF categorization: Bonds and other debt securities denominated in euro.

Investment Objective

The Fund's objective is to seek to outperform the benchmark, over a medium period, by primarily getting exposure to credit markets with the Euro as the reference currency.

Investment Policy

The Fund is actively managed in order to capture opportunities in the Euro investment grade corporate and government bonds market. The following investment decisions are undertaken after comprehensive macroeconomic and microeconomic analysis of the market:

- sector allocation
- geographical allocation
- credit curve positioning (the credit curve illustrates the relationship between investment term and credit yield)
- issuer selection
- instrument selection

The Fund invests at least 90% of its total assets in Euro denominated corporate and government bonds, rated between AAA/Aaa and BBB-/Baa3 by at least one of the 3 rating agencies, Standard and Poor's, Fitch or Moody's.

Within the limit of 200% of the Fund net assets, the investment strategy may be achieved by direct investment and/or through derivatives especially by entering into Credit Default Swaps. Derivatives may also be used for hedging purposes.

The Fund targets a sensitivity between 2 and 5: if interest rates increase by 1%, the net asset value of the Fund may decrease by 2% up to 5%.

Benchmark

The Fund performance shall be compared to the Barclays Euro Aggregate Corporate 1-5 years Index.

The Barclays Euro Aggregate Corporate 1-5 years Index, is calculated coupons reinvested, by Barclays Capital and measures the performance of Euro denominated investment grade corporate bonds with a maturity ranging 1 to 5 years.

Provided that it is not an indexed management fund, its performance may be differ substantially from the benchmark, which is a performance indicator only.

For more information, the investor may access the following website: www.barcap.com.

Fund Currency

The reference currency of the Fund is EUR.

Investment Horizon

This Fund may not be suitable for investors who plan to withdraw their contribution within 3 years.

Processing of subscription and redemption orders

The subscription or redemption orders must be received by the Depositary on any Valuation Day no later than noon CET. Orders will be processed at the net asset value calculated the next business day. The investors' attention is drawn to the existence of potential additional processing time due to the possible involvement of intermediaries such as Financial Advisers or distributors.

The net asset value of this Fund is calculated on a daily basis

Minimum initial investment: EUR 1,000,000

Risk and Reward Profile

Lower risk — **Higher risk**

Potentially lower reward — Potentially higher reward

1	2	3	4	5	6	7

The risk category is calculated using historical performance data and may not be a reliable indicator of the Fund's future risk profile.

The risk category shown is not guaranteed and may shift over time.

The lowest category does not mean risk free.

Why is this Fund in this category?

The capital of the Fund is not guaranteed. The Fund is invested in financial markets and uses techniques and instruments which are subject to some level of variation which, may result in gains or losses.

The risk indicator represents the Fund's exposure to euro-denominated bond markets.

Additional Risks

Credit Risk: risk that issuers of debt securities held in the Fund may default on their obligations or have their credit rating downgraded, resulting in a decrease in the Net Asset Value.

Counterparty Risk: risk of bankruptcy, insolvency, or payment or delivery failure of any of the Fund's counterparties, leading to a payment or delivery default.

Impact of any techniques such as derivatives: certain management strategies involve specific risks, such as liquidity risk, credit risk, counterparty risk, legal risk, valuation risk, operational risk and risks related to the underlying assets.

The use of such strategies may also involve leverage, which may increase the effect of market movements on the Fund and may result in significant risk of losses.

Charges

The charges you pay are used to pay the cost of running the fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry charge	10.00%
Exit charge	10.00%
This is the maximum that might be taken out of your money before it is invested and before the proceeds of your investment are paid out.	
Charges taken from the fund over a year	
Ongoing charge	0.23%
Charges taken from the fund under certain specific conditions	
Performance fee	none

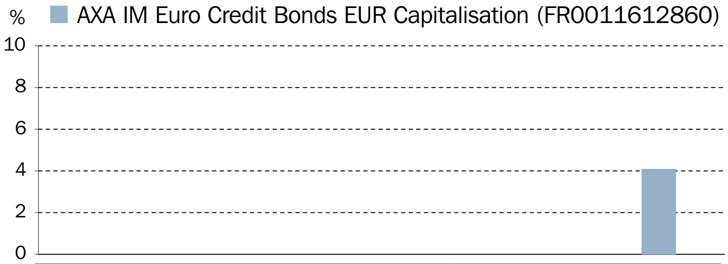
The entry and exit charges shown are maximum figures. In some cases, you might pay less - you can find this out from your Financial Adviser.

The ongoing charges figure is based on expenses for the twelve month period ending December 2014. This figure may vary from year to year. It excludes:

- Performance fees
- Portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling units in another collective investment undertaking

For more information about charges, please refer to the Fund's prospectus, section charges, which is available at www.axa-im-international.com.

Past Performance



2010	2011	2012	2013	2014
				4.1

Past performance is not a reliable indicator of future results.

Past performance is shown after the deduction of ongoing charges. Any entry/exit fees are excluded from the calculation.

The Fund was launched on 12/12/2013.

Past performance has been calculated in EUR and is expressed as a percentage change of the Fund's Net Asset Value at each year end.

Practical Information

Depositary:
BNP-Paribas Securities
Services Grands Moulins de Pantin
9, rue du Débarcadère, 93500 Pantin

Further Information: more detailed information on this Fund, such as the prospectus as well as the latest annual and semi-annual report, can be obtained free of charge from the Fund Management Company or the central administrator.

Net Asset Value Publication: the Net Asset Value per share is available at www.axa-im-international.com, and at the registered office of the Management Company.

Tax Legislation: the Fund is subject to the tax laws and regulations of France. Depending on your own country of residence this might have an impact on your investments. For further details, you should consult a Tax Adviser.

Liability Statement: AXA IM Paris may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the Fund.

This Fund is authorised in France and regulated by the Autorité des Marchés Financiers (AMF). AXA IM Paris is authorised in France and regulated by the Autorité des Marchés Financiers. This key investor information is accurate as at 13/02/2015.

AXA IM EURO CREDIT BONDS

PROSPECTUS

UCITS compliant with Directive 2009/65/EC of July 13, 2009

I – General characteristics:

I - 1 Form of the UCITS:

- **Name:** AXA IM EURO CREDIT BONDS
- **Legal status and member-state in which the UCITS was established:** FCP governed by French law.
- **Date formed and stipulated term:** 12 December 2013 for a term of 99 years.
- **Date of the AMF's approval :** 26 November 2013
- **Fund management overview:**

ISIN code	*Dividend policy*	*Base currency*	*Target subscribers*	*Decimalisation*	*Original NAV*	*Minimum initial subscription amount (Except for the Management Company)*
FR0011612860	Accumulation	Euro	All subscribers, this Fund is more specifically intended for UBS Company	Thousandths of units	€ 100	€ 1 000 000

- **Address for obtaining the most recent annual report and interim statements:**

The latest annual documents and interim statements may be sent within one week, upon written request by the unitholder, to the following address:

AXA INVESTMENT MANAGERS PARIS
Cœur Défense - La Défense 4
100, Esplanade du Général De Gaulle
92932 PARIS LA DEFENSE CEDEX
Tel.: +33 (0)1.44.45.70.00

For additional information, please contact AXA INVESTMENT MANAGERS PARIS at the address indicated above or access the following Website: www.axa-im.fr.

I - 2 Fund Players:

➢ **Management company:** AXA INVESTMENT MANAGERS PARIS, Portfolio Management Company, Cœur Défense -La Défense 4-100, Esplanade du Général de Gaulle – F-92400 Courbevoie, approved by the Autorité des Marchés Financiers (« AMF ») under authorisation n° GP 92-08 dated 7 April 1992.

➢ **Depositary :** BNP – PARIBAS SECURITIES SERVICES (BPSS) – S.C.A 3, rue d'Antin – F-75078 Paris Cedex 02 / Postal address: Grands Moulins de Pantin – 9, rue du Débarcadère – F-93500 Pantin. BNP – PARIBAS SECURITIES SERVICES (BPSS) is a credit institution approved by the Autorité de Contrôle Prudentiel. This institution also performs issuance and centralisation functions for the FCP.

➢ **Auditor:** PricewaterhouseCoopers Audit – 63, rue de Villiers - 92208 Neuilly-sur-Seine cedex.

➢ **Fund Promoter:** AXA INVESTMENT MANAGERS PARIS, Cœur Défense – La Défense 4 - 100, Esplanade du Général de Gaulle, F-92400 Courbevoie.

Additional information is available, if necessary, from the following Website: www.axa-im.fr.

AXA INVESTMENT MANAGERS PARIS may delegate responsibility for marketing of Fund units to third parties duly authorised by it. Since the Fund is registered with Euroclear France, its units may be subscribed or redeemed via financial intermediaries not known to the Management Company.

AXA INVESTMENT MANAGERS PARIS delegates the Fund accounting & middle office functions to:

STATE STREET BANQUE SA, a *Société Anonyme*, with offices located at Défense Plaza - 23,25 rue Delarivière-Lefoullon - 92064 Paris La Défense Cedex, listed in the Paris Trade and Corporate Registry under no. 381 728 724.

STATE STREET BANQUE SA is a subsidiary of STATE STREET BANQUE. STATE STREET BANQUE is a credit institution approved on 28 February 1997 by the CECEI *(Comité des Etablissements de Crédit et des Entreprises d'Investissement)* subsequently the Autorité de Contrôle Prudentiel - ACP) and by the *Conseil des Marchés Financiers* (subsequently the AMF) on 21, July 1997 under authorisation no. GP 97-44.

AXA INVESTMENT MANAGERS PARIS does not delegate the Fund's administrative and financial functions.

II – General characteristics:

II – 1 Unit characteristics:

⇨ **ISIN code**: FR0011612860

⇨ **Nature of rights attached to the class of units:** Each unit-holder has a co-ownership right on the Fund assets proportional to the number of units held.

⇨ **Entry in a register or liabilities accounting procedure:** All units are in bearer form. All units have been registered in Euroclear France. There is therefore no requirement to keep a register. The issue account is maintained by BNP-PARIBAS SECURITIES SERVICES (as Depositary).

⇨ **Voting rights**: Given that the Fund is a co-ownership of transferable securities, no voting rights are attached to units held. The Fund is managed by the Management Company on the unit-holder's behalf. However, any changes in the operation of the Fund are notified to unit-holders individually, in the press or by any other means in accordance with Instruction 2011-19 dated 21 December 2011.

⇨ **Form of units**: Bearer.

⇨ **Decimalisation:** thousandths of units.

➢ **Year-end:** Last trading day in December on the Paris Stock Exchange. The first accounting year will close on the last trading day on the Paris Stock Exchange in December 2014.

➢ **Tax regime indications:**

This information is not to take precedence over that provided within the context of individual fiscal council.

Reminder: Depending on your tax status, the capital gains and eventual income generated from units held in this Fund may be subject to taxation. We thus recommend that you request information on this aspect from the Fund marketing team/promoter.

II – 2 Specific provisions:

➢ **Classification:** Bonds and other debt securities denominated in euro

➢ **Investment objective:**
This Fund's objective is to seek to outperform the Benchmark, over a medium period, by primarily getting exposure to credit markets with the Euro as the reference currency.

➢ **Benchmark indicator:**

The Fund performance shall be compared to the Barclays Euro Aggregate Corporate 1-5 years Index.

The Barclays Euro Aggregate Corporate 1-5 years Index, is calculated coupons reinvested, by Barclays Capital and measures the performance of Euro denominated investment grade corporate bonds with a maturity ranging 1 to 5 years.

Provided that it is not an indexed management fund, its performance may be differ substantially from the benchmark, which is a performance indicator only.

For more information, the investor may access the following website : www.barcap.com.

➢ **Investment strategy:**

1. On the strategies employed:

This Fund is managed according to an approach that remains both active and fundamental, in association with an efficient risk management and a strong contribution of research teams. The Fund allocation strategy is handled using a discretionary process.

The Investment Manager will rely on the overall Fixed Income global process to formulate recommendations on its overall allocation, and sector, countries and issuers' choices.

The strategy consists of active management of fixed income products by using:

- Selection of Investment Grade credit securities (that is, securities minimum rated BBB- or Baa3 by at least one of the 3 rating agencies, Standard and Poor's, Fitch or Moody's), by analysing instruments and issuers;
- Sector allocation;
- Geographical allocation;
- Credit curve positioning (credit curve illustrates the relationship between the maturity and the credit market rate);
- duration positioning (duration measures in numbers of years the portfolio's sensitivity to the interest rate variations

The Fund will exposed at least 90 % of its net assets either by direct investment or by the use of financial derivatives instruments in Investment Grade government issued or guaranteed by OECD Member States or/and Investment Grade corporate bonds and debt securities issued by public and private institutions of all geographical areas (including emerging markets), denominated in Euro currency,

The Fund may invest on an ancillary basis in securities rated below Investment Grade (i.e. rated lower than BBB- or Baa3 by at least one of the 3 rating agencies, Standard and Poor's, Fitch or Moody's).

The investment strategy will be implemented following the rules below:

Range of sensitivity to the interest rates between 2 and 5	
Geographic area of the issuers to which the Fund is exposed	Exposure range
All geographical areas	Between 90 % and 200%

The Fund's cash flow is invested in an objective of achieving liquidity and performance. It is to be managed both by concluding the type of transactions indicated below and by purchasing money market and derivative instruments.

The UCIT can be exposed to financial indices (or sub-indices) with periodic rebalancing. In case of rebalancing of the index (or sub-index), the resulting costs shall have little impact on the implementation of the strategy. In exceptional market circumstances (including, for instance, but not limited to, the situation in which the reference market of a given index (or sub-index) is largely dominated by one issuer, or the situation of unusual market movements affecting one or several components of the financial index or sub-index), one component of the financial index (or sub-index) may represent more than 20% (within the limit of 35%) of the financial index (or sub-index).

2. The asset base:

Equity:
None

Debt securities and money market instruments:
The Fund will at least 90% be invested in this asset category.
Up to 100% of total assets in:
- Bonds and debt securities issued or guaranteed by Member States of the OECD, denominated in euro;
- Bonds and debt securities issued by public or private companies within or not Member States of the OECD, denominated in euro currency;

- Inflation-indexed or convertible bonds and debt securities issued by OECD Member States and denominated in euro currency;
- Money market instruments issued on any markets, denominated in euro, whether traded on regulated markets or not or equivalent financial instruments on international markets, by means of acquisition or repurchase agreement transactions issued by OECD Member States;

The Fund will be managed within a range of interest rate sensitivity extending between 2 and 5.

For all of these instruments, the rating will be positioned between AAA/Aaa and BBB-/Baa3 by at least one of the 3 rating agencies, Standard and Poor's, Fitch or Moody's.

The Fund may invest (up to a limit of 10% of its assets) in debt securities that have a rating strictly inferior to BBB-/Baa3 by at least one of the 3 rating agencies, Standard and Poor's, Fitch or Moody's.

The Fund may invest (up to a limit of 10% of its assets) in eligible financial instruments or money market instruments not meeting the conditions stipulated in Article R 214-11-I of the French Monetary and Financial Code.

Shares or units in UCITS or investment funds:

The Fund can invest on an ancillary basis (up to a limit of 10% of its assets) in shares or units of money market French or European coordinated UCITS.

Such UCITS and investment funds may be managed by AXA Group companies.

3. Derivative instruments:

In order to achieve its investment objective, the Fund may invest in the following derivative instruments, in an amount not to exceed total asset value:

- Types of investment markets:

☒ Regulated
☒ Organised
☒ Over-the-counter.

- Risks on which the Fund Manager is seeking exposure (either directly or through the use of indices):

☐ Equity
☒ Interest rate
☐ Foreign exchange
☒ Credit
☐ Other risks (specify).

- Type of market intervention (all transactions to be restricted to achieving the investment objective):

☒ Hedging
☒ Exposure
☐ Arbitrage
☐ Other (specify).

- Types of instruments used:

☒ futures
☐ options (including caps and floors)
☐ swaps
☐ forward foreign exchange
☒ credit derivatives (including credit default swaps" and “credit default swaps index”)
☐ other types (specify).

- Strategy behind derivative use to achieve the investment objective:

The amount allocated to forward financial instruments may not exceed the Fund's total asset value.

In the aim of achieving its investment objective, the Fund may introduce, in a discretionary manner a series of strategies for using Financial derivatives instruments aimed at: (i) hedging or exposing the Fund to credit risks and rate risk and (ii) hedging or exposing the credit risk of certain issuers.
These strategies are described below in further detail:
- strategies aimed principally at anticipating or equipping the Fund to counter the default risks of one or several issuers, or aimed at exposing the portfolio to issuer credit risks or at concentrating on the issuer credit risk. These strategies will be set up in particular by the purchase or sale of protections via credit derivatives on one or several issuers. Such operations consist for the most part of swap contracts on the credit risk ("credit default swaps" including “credit default swaps index”);
- strategies aimed at managing the rate risk by means of using Financial derivatives instruments particularly futures..

As part of OTC financial derivatives transactions the Fund may post or receive collateral with a view to reduce its counterparty risk.

This guarantee may be given in the form of liquidity and/or securities issued or guaranteed by a Member State of the OECD.

In accordance with its internal policy relating to the management of the collateral, the Management Company will determine:

- the required level of collateral;
- the level of haircut applicable to the assets received as collateral, taking into account the assets’ characteristics such as the credit standing of the issuers, the maturity, the currency and the price volatility of the assets.

The Fund may re-invest any cash collateral received in accordance with applicable rules.

In spite of the creditworthiness of the issuer of the assets received as collateral or the assets acquired by the Fund on the basis of cash collateral received, the Fund may be subject to a risk of loss in case of default of the issuers of such assets or in case of default of the counterparties to transactions in which such cash has be re-invested..

4. Securities with embedded derivatives:
The Fund may have recourse to debt securities with embedded derivatives up to a limit of 100% of its total assets (convertible bonds). The strategy of recourse to debt securities with embedded derivatives is the same as that described for derivative instruments.

Involved herein could, for example, be warrants or other instruments previously listed under the "Assets" heading, which may be qualified as debt securities incorporating derivates as per regulatory changes.

5. Deposits:
For cash management purposes, the Fund may invest up to 100% of its total assets in deposits with one or more credit institutions within the limits of the relevant Monetary and Financial Code.

6. Cash borrowing
Within the scope of normal operations, the Fund may on occasion find itself in a debit position and resort to cash borrowings up to a value not exceeding 10% of its total assets.

7. Temporary purchases and sales of securities
Repurchase transactions and securities lending are not authorised.

➢ **Risk profile:**

General consideration:

Your money will be invested primarily in financial instruments selected by the Investment Manager. These instruments will be subject to market fluctuations and contingencies.

The Fund's risk profile has been adapted to an investment period of more than 3 years. Like with any financial investment, potential investors must be aware of the fact that the value of the Fund's assets is vulnerable to fluctuations in markets and capable of varying considerably (depending upon existing political, economic and stock market conditions or on the issuers' specific situation). As such, the performance of this Fund might not always match its objectives.

The Management Company does not guarantee subscribers that the capital they have invested in this Fund will be fully reimbursed, even if they hold units for the entire recommended investment period.

The risks described below are not exhaustive; it remains incumbent upon the individual investors to assess the risk inherent in each one of their investments and then to forge their own opinions.

Subscribers to this Fund are exposed to the following primary risks:

1. Credit risk:

Credit risk involves the risk that issuers of securities held by the Fund may default on their obligations to pay interests and repay principal. In such a case, the Fund does not recover, partially or totally, its investments and the net asset value of the funds may decrease.

2. Interest rate risk:

The interest rate risk involves the risk that, when interest rates increase, the market value of fixed-income securities tends to decline. As a result, the net asset value of the Fund may be affected.

3. Risk of loss of capital:

No guarantee is made or supplied to investors with respect to the restitution of their initial or subsequent investments in a Fund.

4. Risk linked to commitments in forward financial instruments:

The fund uses forward financial instruments to hedge and/or expose its assets to all markets (fixed income, foreign exchange), assets, indices and instruments or economic and/or financial parameters. Total exposure resulting from the use of forward financial instruments and direct financial instruments may not exceed 200% of the fund's assets. Commitments in forward financial instruments may generate the risk of a faster and more significant decline in the fund's net asset value than that of the securities in which the fund is invested.

5. Risks linked to discretionary management:
The Investment Manager will apply its investment techniques and risk analyses in making investment decisions for a Fund. However, there can be no guarantee that they will produce the desired results since investment techniques or strategies may be unsuccessful and may incur losses for Fund.

6. Counterparty risk:
This is the risk of default (or counterparty's failure to perform any of its obligations) of any counterparties of the Fund to any OTC financial derivatives transactions and/or stock lending and repurchase agreements transactions.
The counterparty's default (or the counterparty's failure to perform any of its obligations) under these transactions may have a material adverse effect on the net asset value of the Fund.

7. Risk linked to investments in emerging countries:
The risk linked to investments in emerging countries mainly results from the operating and supervision conditions on these markets, which may deviate from the standards prevailing on the major international exchanges, which can lead to faster and more significant market fluctuations and cause the fund's net asset value to decline.

Ancillary risks
8. Risk linked to high yield debt securities
High yield securities have a rating lower than BBB- according to Standard & Poor's (or equivalent rating according to Moody's or other rating agency) or are not rated. Such High Yield securities held in the portfolio may involve increased credit and market risk, are subject to the risk of an issuer's inability to meet principal and interest payments on its obligations (credit risk); and may also be subject to price volatility due to such factors as interest rate movements, market perception of the creditworthiness of the issuer and general market liquidity.

➢ **Guarantee or protection:** None.

➢ **Target subscribers and typical investor profile:** All subscribers; this Fund is more specifically intended to be subscribed by UBS Company.

Except for the Management Company and for an entity belonging to its own group of companies which may subscribe one unit, the initial minimum subscription amount for each subscriber is 1 000 000 Euros.

This Fund is intended for investors seeking to expose their investment on the debts securities markets.

The amount it is reasonable to invest in this Fund will depend on the personal situation of each unit-holder. In determining this amount, each unit-holder must take account not only of personal assets, relevant regulations, and current requirements over an investment period of 3 years, but also of the tolerance for absorbing risk or, conversely, favouring a more prudent investment posture. It is also strongly recommended to diversify its investments sufficiently to avoid exclusive exposure to the risks inherent in this Fund.

The recommended minimum investment period is 3 years.

➢ **Conditions for the determination and appropriation of income:** Accumulation

The Distributable Incomes are equivalent to:

- The net income for the financial year plus retained earnings, adjusted with the net income equalisation account relating to the year ended,

- The net realised capital gains, decreased with net realised capital losses, recognised throughout the financial year, plus net capital gains of the same type realised during the preceding financial years which have not been distributed or capitalised and adjusted with the capital gain equalisation account relating to the year ended.

➢ **Distribution frequency:**

The Distributable Incomes shall be accumulated in full each year.

➢ **Characteristics of shares or units:** thousandths of units denominated in Euros.

➢ **Subscription and redemption procedures:** All subscription and redemption orders are received every day of the week by the Depositary until 12:00 noon and then executed on the basis of the next available net asset value (i.e. at an unknown rate).

Subscriptions/redemptions will be paid/delivered no later than 3 trading days following the determination of the net asset value.

All subscription and redemption requests are centralised by BNP–PARIBAS SECURITIES SERVICES (BPSS), with offices at the following address:

BNP – PARIBAS SECURITIES SERVICES (BPSS)
Grands Moulins de Pantin
9, rue du Débarcadère
93500 Pantin

➢ **Frequency of calculation for the net asset value:** Daily.

The net asset value shall not be determined or published on trading days which fall on French legal holidays and in the event of NYSE Euronext Paris holidays. The reference stock market calendar to be used is that of NYSE Euronext Paris.

➢ **Venue for publication of the net asset value**: Management Companie's offices.

➢ **Fees and commissions:**

Subscription and redemption fees:

Subscription and redemption fees may increase the subscription price paid by the investor or reduce the redemption price. Fees payable to the Fund offset the costs incurred by the Fund in investing or disinvesting the assets assigned. Fees not paid to the Fund revert to the Management Company or promoter.

Fees payable by the investor, levied on subscriptions and redemptions	Basis	Rate scale
Subscription fee not payable to UCITS	Net asset value x number of units	➢ Maximum: 10% (UBS company and the Management Company are exempt from payment of this fee.)
Subscription fee payable to UCITS	Net asset value x number of units	Nil
Redemption fee not payable to UCITS	Net asset value x number of units	➢ Maximum: 10% (UBS company and the Management Company are exempt from payment of this fee.)
Redemption fee payable to UCITS	Net asset value x number of units	Nil

Operation and management fees:
These fees cover all costs invoiced directly to the Fund, except transaction costs. Transaction costs include intermediary fees (brokerage, stock market taxes, etc.) and movement fees, if any, accruing in particular to the Depositary and Management Company.

The following charges may apply in addition to operation and administration fees:
⇨ movement fees invoiced to the Fund, and
⇨ a proportion of the income generated from temporary sales or purchases of securities.

Fees invoiced to the Fund	Basis	Rate scale
Operating and management costs, gross of tax (including all fees, except for transactional fees, commissions for surpassing performance standards and costs related to investments in UCITS or investment funds)	Net assets (UCITS included/excluded)	Maximum rate: 1% of Net assets, taxes included These costs are directly ascribed to the Fund's profit account
External management costs (including auditor, depositary, lawyer firm, distribution)		
Indirect Management costs		None
Fund service providers receiving transaction fees:	**Basis**	**Amount**
➢ Depositary	Levied upon each transaction	50 € maximum, inclusive of tax.
Performance fees		None

Temporary securities acquisitions and sales transactions:
The Fund may appoint an agent responsible for the carrying out of stock lending and repurchase agreements transactions, and notably for the counterparties' selection and the management of the collateral.

In consideration for its services, the agent will receive a remuneration which will be equal to one third of the income resulting from the stock lending and repurchase agreements transactions, borne by the Fund details of which are provided in the Fund's annual report.

Agent:
AXA Investment Managers GS Limited
7 Newgate Street
Londres EC1A 7NX
United Kingdom

AXA Investment Managers GS Limited and the Management Company are affiliates companies belonging to AXA IM group. In order to prevent any conflicts of interest, AXA IM Group has put in place a conflicts of interest policy details of which are available on *www.axa-im.com*.

According to its execution policy, AXA Investment Managers GS Limited selects the counterparties with which the stock lending and repurchase agreements transactions are concluded for and on behalf of the Fund. The details of its execution policy are available on www.axa-im.co.uk.

The management of the collateral policy of the Fund in respect of stock lending and repurchase agreements transactions, is consistent with the one described above for OTC derivatives.

For all further information, unit-holders are referred to the Fund's annual report.

Selection of the intermediaries:

The Investment Manager's process for the selection of intermediaries is based on:
- A due diligence stage which involves data collection requirements,
- A participation of all departments involved or concerned by the entry into relationship with a counterparty or a broker in addition to the Portfolio Management teams, Risk Management , Operations, Compliance and Legal departments.
- An independent vote exercised by each team.

For all further information, unit-holders are referred to the Fund's annual report.

III –Commercial information:

All information concerning this Fund may be obtained by direct application to the Management Company at the following postal address:

AXA INVESTMENT MANAGERS PARIS
Portfolio Management Company
Cœur Défense - La Défense 4
100 Esplanade du Général de Gaulle
92932 Paris La Défense Cedex
Tel.: +33 (0)1.44.45.70.00

The net asset value of the Fund is available to unit-holders upon request submitted to Management Company with the following email address: client@axa-im.com.

Prospectus date : 24 November 2014

The latest annual and semi-annual reports are also available to unit-holders upon request submitted to Management Company.

All subscription and redemption requests are centralised by BNP–PARIBAS SECURITIES SERVICES (BPSS), with offices at the following address:

BNP – PARIBAS SECURITIES SERVICES (BPSS)
Grands Moulins de Pantin
9, rue du Débarcadère
93500 Pantin

<u>ESG criteria:</u>

Information on Social, Environmental and Corporate Governance criteria are available on the website of the Management Company (www.axa-im.com) and will be disclosed in the annual report concerning the accounting years beginning January 1, 2012.

IV –<u>Investment rules:</u>

This set of rules complies with the regulatory portion of the Monetary and Financial Code.

Modifications to the Monetary and Financial Code will be taken into account by the Investment Manager within the scope of Fund management once they have been effectively applied.

The method employed for calculating Fund commitment ratios is the commitment approach.

V – <u>Rules for the valuation and accounting of assets</u>:

The portfolio is valued at the time of each net asset valuation and at the closing of the annual accounts according to the following guidelines:

Transferable securities:

<u>Financial instruments and securities traded on a regulated market in France or abroad:</u>

- French and European zone securities and foreign securities traded on the Paris Stock Exchange: closing price on the day of valuation (source: Thomson-Reuters).

- Securities traded within the Pacific zone: closing price on the day of valuation (source: Thomson-Reuters).

- Securities traded within the Americas: closing price on the day of valuation (source: Thomson-Reuters).

- Transferable securities whose price has not been reported on the day of valuation are to be valued at their most recent officially-published price or at their probable trading value, as determined under the responsibility of the Management Company.

- Currency: Foreign values are to be converted into Euro equivalent values depending on the currency exchange rates quoted at 4:00 pm in London on the day of valuation (source: Reuters).

- Bonds or fixed-income products: These are valued daily on the basis of the information provided by an eligible third party provider and weighted depending on such product's characteristics. The clean price is calculated in accordance with the Bloomberg method.

- *Bon du Trésor à intérêts annuels (BTAN), bon du Trésor à taux fixe et à intérêt précompté (BTF)* and *billets de trésorerie (T-bills):*

- BTANs, BTFs and T-bills (excluding French issuances) with a maturity at issuance of less than three months, at the date of acquisition, or having a residual life not exceeding three months as of the valuation day of the AIF, are to be valued according to the simplified method (i.e. linearization). In case of material markets volatility, the simplified method would be abandoned and the instruments would be valued according to the method dedicated to BTANs, BTF and T-bills (excluding French issuances) having a maturity in excess of three months.

- BTANs, BTFs and T-bills (excluding French issuances) with a maturity at issuance that exceeds three months, at the date of acquisition, or having a residual life exceeding three months as of the valuation day of the AIF, are to be valued at their market value on the basis of the information provided by an eligible third party data provider and ranked by order of priority (BGN, Bloomberg).

Nonetheless, the following instruments are to be valued in accordance with the specific methods indicated below:

<u>UCI shares or units:</u>

- UCI shares or units are to be valued at their latest official valuation day of the Fund. However, for UCI whose units or shares are valued at a date other than the valuation day of the Fund, such UCI are valued on the basis of estimates under the control and responsibility of the Management Company.

<u>Negotiable debt securities:</u>

- Negotiable Debt Securities (NDS) with a maturity date lying within three months:

- Those NDS with a period lasting less than three months upon issuance, or at the acquisition date, or whose remaining period becomes less than three months at the time of net asset value determination, are to be valued according to the simplified method (i.e. linearization).
- Should a credit-related event alter the issuer's credit, the simplified method would be abandoned in favor of valuing the NDS at the market price in following the method applied for NDS with a maturity in excess of three months.

- Negotiable Debt Securities (NDS) with a maturity date lying beyond three months:

These securities are valued by application of an actuarial method, with the selected discounting rate being that of the equivalent securities issues along with the assignment, if necessary, of a deviation representative of the security issuer's intrinsic characteristics (i.e. issuer's market spread).

The market rates used for these purposes are the following:

  - for the Euro, the EONIA swap curve (OIS method);
  - for the USD, the Fed Funds swap curve (OIS method);
  - for the GBP, the SONIA swap curve (OIS method).
  - for the YEN, the TONAR swap curve.

The discounting rate has been interpolated (by means of linear interpolation) between the two closest listed periods that frame the security's maturity date.

Securitization instruments:

- Asset back securities (ABS): ABS are valued on a weekly basis by means of a valuation closing rate at the market value based on a median price determined from all the bid prices communicated by the eligible data providers.
- Collateralized Debt Obligations (CDO): CDO are valued on a monthly basis at a bid price communicated by arranger bank, by “Lead Manager” or committed counterparties.

Temporary securities acquisition and sales transactions:

- Lending/borrowing:

    - Securities lending: The securities lent are valued at the securities' market value; the debt representative of the securities lent is to be valued according to contractual stipulations.

    - Securities borrowing: The debt representative of the securities borrowed is to be valued according to contractual stipulations.

- Repurchase agreements:

    - Reverse repurchase agreements: The debt representative of the securities received in repurchase agreements is to be valued according to contractual stipulations.

    - Repurchase agreements: The securities contributed to repurchase agreements are to be valued at the securities' market value; the debt representative of the securities given towards repurchase agreements is valued according to contractual stipulations.

Financial instruments not traded on a regulated market:

Such instruments are to be valued under Management Company responsibility at their likely traded value.

Derivatives instruments

Futures contracts:

Valuation is carried out on the basis of the compensation price (or last price) on the day of valuation.

These contracts are carried for their market value as determined based on the principles both listed above in the off-balance sheet commitments and within the set of risk exposure tables. Conditional futures transactions (options) are translated into underlying equivalents in off-balance sheet commitments and risk exposure tables.

⇨Over-The-Counter (OTC) Derivatives (without monetary management):

OTC Derivative instruments are valued at market value on the basis of valuations provided by counterparties, under Management Company responsibility.

⇨OTC Derivatives within monetary management:

⇨ Financial exchanges:

- Rate swaps with a maturity date lying within three months:

All swaps reaching maturity in less than three months at the swap initiation date or at the date the net asset value is calculated are to be valued linearly.
In the event the swap was not backed by a specific asset and in the presence of a strong variation in interest rates, the linear method would be abandoned in favor of valuing the swap according to the method reserved for rate swaps with maturities of beyond three months.

- Rate swaps with a maturity date lying beyond three months:

    - EONIA, FED FUNDS, TONAR or SONIA swap curve:

These swaps are to be valued according to the return cost method.
Each time the net asset value is calculated, the interest rate and/or currency rate exchange contracts are valued at their market value as a function of the price calculated by discounting future cash flows (both principal and interest) at the market interest rate and/or currency rate.
This discounting is performed by making use of a zero-coupon rate curve.

When the residual maturity of the swap drops to below three months, the linearization method is applied.

- Interest rate swaps against a EURIBOR or LIBOR reference:

These swaps are valued at the market price, on the basis of valuations provided by counterparties, under Management Company responsibility.

Valuation of swaps in the off-balance sheet table of commitments:

    - Swaps with a remaining period of less than three months: nominal + differential of accrued interest;
    - Swaps with a remaining period of greater than three months;
    - Fixed rate / variable rate swaps: Valuation of the fixed-rate leg at market price;
    - Variable rate / fixed rate swaps: Valuation of the variable-rate leg at market price.

- *Contract for difference* (CFD): CFD instruments are valued at their market value on the basis of the closing price on the day of valuation for the underlying securities. The stock market value of the corresponding lines indicates the differential between the stock market value and the strike value of the underlying securities.
- Credit Derivatives Swaps (*CDS*): CDS are valued on the standard method as recommended by ISDA (sources: Markit in respect of the CDS curve and the recovery rate and Bloomberg in respect of interest rate curves).
- Forex Forwards: forward forex are valued on the basis of:
- the notional;
- the exercise price;
- the discount factor applicable to the remaining period;
- the current exchange market rate;
- the relevant forward exchange rate, defined as the product of the current exchange market rate and the relevant discount factor applicable to such currency.

⇨ Other instruments:

- Complex securities are valued at their market value on the basis of prices calculated by the counterparties, under the control and responsibility of the Management Company.

    - Synthetic products: Securities set up in currencies and covered by currency exchange contracts against the Euro, whether or not they have been concluded with a single and unique counterparty, are to be analyzed just like synthetic products given that they meet the following conditions: the exchange contract is concluded simultaneously with the security acquisition and features the same amount and due date.

In this case, and by analogy with the possibility offered in current regulations, no separate recording is completed for the security in currency and the associated exchange contract, but rather a global accounting in Euros for the synthetic product. These products will be subject to a global valuation at the market rate and/or at the currency exchange rate resulting from the exchange, within the scope of contractual stipulations.

➢ **Accounting methods:** Income is recorded applying the accrued coupons method.

Trading charges are recorded in specific accounts of the UCITS and not added to the cost price of transferable securities (fees excluded).

The WACC (or Weighted Average Cost of Capital) is adopted as the securities liquidation method. However, the FIFO (First In, First Out) method is used in the case of derivatives.

AXA IM EURO CREDIT BONDS
(FCP offered to the public)

Depositary:	BNP PARIBAS SECURITIES SERVICES 3, rue d'Antin F-75078 PARIS CEDEX 02
Management Company (reg. office):	AXA INVESTMENT MANAGERS PARIS Cœur Défense - La Défense 4 100, Esplanade du Général de Gaulle F-92400 Courbevoie

REGULATIONS

Approved by the Autorité des Marchés Financier (A.M.F.)
on 26 November 2013

SECTION I

ASSETS AND UNITS

Article 1 – Co-ownership units

The co-owners' rights are represented by units, each unit corresponding to the same fraction of the Fund's assets. Each unit-holder has a co-ownership right in relation to the Fund's assets proportionate to the number of units held.

The Fund's term is 99 years from the date of inception, except in the event of early dissolution or extension as set forth in the present management regulations.

The Fund reserves the right to issue different classes of units. The characteristics of the different classes of units and their eligibility requirements are specified in the prospectus of the FCP.

The different classes of units may:
- benefit from different dividend policies (distribution or accumulation);
- be denominated in different currencies;
- charge different management fees;
- charge different subscription and redemption fees;
- have a different net asset value;
- be systematically hedged, in whole or in part, against risk as defined in the prospectus. Risk hedging is carried out through the use of financial instruments aimed at minimising the impact of hedging transactions on the Fund's other unit categories.
- Be dedicated to one or some commercialization networks

The Fund may merge or divide the units.

The Board of Directors of the Management Company may decide that the units shall be sub-divided into tenths, hundredths, thousandths, ten thousandths or even hundred thousandths, such subdivisions being referred to as fractions of units.

The provisions of the regulations governing the issue and redemption of units shall apply to fractions of units whose value shall always be proportionate to that of the units they represent. Unless otherwise provided for, all other provisions of the regulations relating to units shall apply to fractions of units without any need to make a specific provision to this effect.

Finally, the Board of Directors of the Management Company may decide, at its own discretion, to either merge or sub-divide the units by issuing new units which shall be allocated to unit-holders in exchange for their existing units.

If the Fund is a feeder UCITS, the unit-holders of this feeder UCITS will be issued with the same information as if they held units or shares in the master UCITS.

Article 2 – Minimum capital

Units may not be redeemed if the assets of the FCP or sub-fund fall below 300,000 Euros if the assets remain below this amount for thirty days, the Management Company shall take the necessary measures to liquidate the Fund in question or shall carry out one of the operations listed in Article 411-16 of the AMF General Regulations (transformation of the Fund).

Article 3 – Issue and redemption of units

Units are issued each time a subscription is received on the basis of their net asset value plus a subscription fee, where applicable.

Subscriptions and redemptions are executed according to the conditions and procedures defined in the prospectus.

FCP units may be admitted to an official stock exchange listing in accordance with legislation currently in force.

Subscriptions must be paid up in full at the net asset value calculation date.

Subscriptions may be in the form of cash and/or contribution in kind in the form of transferable securities. The Management Company is entitled to refuse any securities offered and, to this effect, must announce its decision within seven days of the date on which the securities were tendered. If accepted, the securities contributed in kind are valued according to the rules laid down in Article 4 and the subscription is based on the first recorded net asset value following acceptance of the securities concerned.

Redemptions will be in cash only, except in the event of liquidation of the Fund when unit-holders have agreed to be reimbursed in securities or the prospectus stipulate an option of redemption by the remittance of securities, to be valued according to the rules laid down in Article 4. The redemption price will be payable by the depositary within 5 days of the unit valuation date.

However, if in exceptional circumstances the redemption requires the prior sale of assets held in the Fund, this deadline may be extended to a maximum of 30 days.

With the exception of succession or an inter vivos gift, the sale or transfer of units between unit-holders or unit-holders and third parties is treated as a redemption followed by a subscription; if this involves a third party, the sale or transfer value must, if necessary, be made up by the beneficiary to at least the initial minimum subscription value stipulated in the prospectus.

By application of Article L.214-8-7 of the *Code Monétaire et Financiers*, the French Financial and Monetary Code, the redemption of units by the FCP and the issue of new units may be provisionally suspended by the Management Company in exceptional circumstances and if dictated by the interests of unit-holders.

If the net assets of the FCP fall below the minimum threshold set by the regulations, no redemptions shall take place.

The minimum subscription conditions are stipulated in the prospectus.

The FCP may cease to issue units by application of Article L.214-8-7, paragraph 2 of the French Monetary and Financial Code under the following circumstances:

- in objective situations leading to the termination of subscriptions, such as the attainment of a maximum issue of units or shares, the attainment of maximum number of assets or the expiry of a specific subscription period. These objective situations are defined in the prospectus for the UCITS.

Article 4 – Calculation of net asset value

The net asset value of units is calculated in accordance with the valuation rules specified in the prospectus.

Contributions or redemptions in kind will be restricted to securities or contracts eligible for inclusion in the UCITS assets; they will be valued according to the valuation rules applicable to calculation of the net asset value laid down in the prospectus

SECTION II

OPERATION OF THE FUND

Article 5 – The Management Company

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

The Management Company shall act in all circumstances on behalf of unit-holders and may exclusively exercise the voting rights attached to securities held in the Fund.

Article 5a - Operating Rules

The instruments and deposits eligible for inclusion in the Fund's assets and applicable investment rules are described in the prospectus.

Article 6 – The Depositary

The depositary is responsible for all missions entrusted by the applicable laws and regulations and those that were contractually assigned.
In particular, it must ensure the conformity of the decisions taken by the Management Company. Where applicable, it must take any safeguarding measures it considers useful. In the event of a dispute with the Management Company, it notifies the Autorité des Marchés Financiers (AMF).
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If the Fund is a feeder UCITS:
➢ The depositary must have entered into an information exchange agreement with the depositary of the master UCITS.
➢ If also depositary of the master UCITS, the depositary must prepare appropriate specifications.

Article 7 – The Auditor

An auditor has been appointed by the Board of Directors of the Management Company for a term of six financial years with the approval of the AMF.

The auditor carries out any checks and audits laid down in law and, in particular, certifies as necessary the authenticity and regularity of the financial statements and the accounting information contained in the annual report.

The auditor shall be subject to re-appointment.

The auditor shall inform the AMF and Fund Management Company of any irregularities or misrepresentations ascertained during the performance of his mission.

The auditor shall supervise the valuation of assets and determination of exchange parities in the event of a conversion, merger or split.

The auditor shall assess all contributions in kind and assume responsibility for preparation of a report on the relevant valuation and remuneration.

The auditor shall certify the accuracy of the composition of the assets and other information prior to publication.

The auditor's fees are determined by mutual agreement of the auditor and Board of Directors of the Management Company on the basis of a work schedule stipulating the functions required.
In the event of liquidation, the auditor shall value the assets and prepare a report on the terms and conditions of liquidation.

The auditor will certify the situations on which the distribution of interim dividends is based.

It the Fund is a feeder UCITS:
➢ The auditor must have entered into an information exchange agreement with the auditor of the Master UCITS.
➢ If the auditor acts for both the feeder and master UCITS, the auditor must draw up an appropriate work schedule.

The auditor's fees shall be included in the management fees.

Article 8 - Financial statements and annual report

At the end of each financial year, the Management Company prepares financial statements and a report on the Fund's management during the past financial year.

The Management Company shall draw the assets' inventory of the UCI at least semi-annually and under control of the depositary. All the above documents are checked by the auditor.

The Management Company shall make these documents available to unit-holders within four months of the financial year-end and notify them of their income entitlement: the documents are posted out at the express request of unit-holders or made available at the offices of the Management Company.

SECTION III

PROCEDURES FOR APPROPRIATION OF NET INCOME

Article 9 – Conditions for allocating Distributable Incomes

The net income for the financial year is equivalent to the value of interest, arrears, dividends, premiums and bonuses, directors' fees and any income generated by the securities held in the Fund's portfolio, plus income generated by temporary cash holdings, less management fees and borrowing costs.

The Management Company decides on the appropriation of Distributable Incomes (hereinafter "the Distributable Incomes").

The Distributable Incomes are equivalent to:

- The net income for the financial year plus retained earnings, adjusted with the net income equalization account relating to the year ended,
- The net realised capital gains, decreased with net realised capital losses, recognised throughout the financial year, plus net capital gains of the same type realised during the preceding financial years which have not been distributed or capitalised and adjusted with the capital gain equalization account relating to the year ended.

For each class of unit, the Prospectus requires the FCP to adopt one of the following methods:

- ***pure accumulation***:
The Distributable Incomes shall be accumulated in full each year.

- pure distribution:
The Distributable Incomes are distributed within the following limits:

- the net income shall be distributed in full, rounded upwards or downwards as applicable,
- the net realised capital gains may be fully or partly distributed, upon Management Company decision.

The undistributed Distributable Incomes will be allocated to retained earnings account.

The Management Company may decide during the year to distribute one or more interim dividends up to the limit of the Distributable Incomes recorded at the date of the decision to this effect.

- accumulation and/or distribution:

The Management Company decides on the appropriation of the Distributable Incomes each year: the Distributable incomes, independently of each other, may be capitalised and/or distributed and/or reported, fully or partly.

The Management Company may decide during the year to distribute one or more interim dividends up to the limit of the Distributable Incomes recorded at the date of the decision to this effect.

SECTION IV

MERGER - SPLIT - DISSOLUTION - EXTENSION - LIQUIDATION

Article 10 - Merger - Split

The Management Company may transfer all or part of the Fund's assets to another UCITS or split the Fund into two or more mutual funds.

Such mergers or splits may only be carried out after unit-holders have been notified to this effect. Such mergers or splits shall give rise to the issue of a new certificate indicating the number of units held by each unit-holder.

Article 11 - Dissolution - Extensions

- If the Fund's assets remain below the value stipulated in Article 2 above for thirty days, the Management Company shall notify the AMF to this effect and, except in the event of a merger with another FCP, dissolve the Fund.

- The Management Company may dissolve the Fund prematurely; it shall inform unit-holders of its decision and, as of that date, subscription and redemption orders shall no longer be accepted.

- The Management Company shall also dissolve the FCP if a request is made for the redemption of all units, if the depositary's appointment is terminated and no other depositary has been appointed, or at the expiry of the Fund's term, unless extended.

The Management Company will inform the AMF by post of the dissolution date and procedure. The Management Company will then forward the auditor's report to the AMF.

The extension of the Fund's term may be decided by the Management Company by agreement with the depositary. This decision must be taken at least 3 months in advance of the expiry of the Fund's term and notified to the unit-holders and the AMF.

Article 12 - Liquidation

In the event of dissolution, the depositary or, where applicable, the Management Company, acts as the liquidator, failing which the liquidator is appointed by the court at the request of any interested person. They shall for this purpose be vested with full powers to sell the Fund's assets, pay off any creditors and distribute the available balance to unit-holders in cash or securities.

The auditor and depositary shall continue to perform their duties until the completion of liquidation procedures.

SECTION V

DISPUTES

Article 13 – Jurisdiction – Election of domicile

All disputes relating to the Fund, arising during its term or in the course of its liquidation among unit-holders or between unit-holders and the Management Company or depositary, shall be subject to the jurisdiction of the competent courts.