AMUNDI Group policy regarding class action suits

The factors and information detailed below constitute the policy principles that apply to management companies of the Amundi Group with regard to class action suits that may, if warranted, be copied and developed operationally in an internal procedure to which each entity of the Amundi Group must comply in all cases, in accordance with the rules of good conduct that apply to all management companies (see article 313-1 of the AMF General Regulations).

As a reminder, class action suits are common in the United States, particularly securities class action suits that allow the shareholders of a company that has committed wrongdoing which caused its shares to lose value, to band together in a class action before an American court to obtain relief for that harm.

Other countries have similar provisions (United Kingdom, Australia, the Netherlands, Sweden, etc.). The following developments should be transposable to the procedures that apply in these countries.

This policy also draws on the conclusions of the Vade-mecum prepared by the AFG with regard to U.S. Class actions [1].

The principle adopted is that Amundi Group does not actively participate in class action lawsuits.

This position is justified by:

i) The internal and external costs incurred;

ii) The unavoidable legal risk of such a legal action, with the reminder that the U.S. judge must preserve the jurisdiction (country) to which the plaintiff belongs as admissible for the lawsuit;

iii) The conflict of interests caused by always actively participating in litigation and the brand image risk that could ensue, or which may result over time.

On the other hand, the Amundi Group does participate in settlements (as an absent class member), meaning during the post-litigation phase when there is no longer any legal risk.

Involvement during this phase is simpler and more suited to the situation of the Amundi Group because it consists solely of getting the judge to recognise victim status for the funds or portfolios represented, in order to be able to receive a share of the amounts set for the total compensation, either in an agreement or by the judge at the end of the litigation.

The distribution of this amount assigned to all plaintiffs declared either originally or afterwards (a "Representative plaintiff" or "Absent class member") is the job of a "Claims Administrator" designated for that purpose.

This approach is justified by the fact that every management company must act in the best interests of its clients (see article L 533-11 COMOFI). However, a materiality threshold may be set in order to lend

[1] Vade-mecum regarding U.S. class actions sent to portfolio management companies - AFG - September 2009.

credence to the decision of whether or not to join, depending on the expected amount of compensation and in light of the costs of collection (both internal and external). Logically, participation in a settlement must not cost more than it brings in.

In the event of a mandate (and likewise, a dedicated fund), the client might ask the management company to actively participate in a class action suit, as an exception to the Amundi Group's policy.

However, a written instruction from the client is essential; if such an instruction is not received, the management company in question would not be legally authorised to act, by application of the French principle whereby nobody may file a lawsuit under someone else's name.

Likewise, the approval of the client being served under a mandate should generally be requested for participation in any settlement regarding active securities in a portfolio, as that client may have entered into proceedings on its own.

Consequently, the client is legally responsible for making a decision as to whether or not to participate in a class action suit or a settlement.