

CARMIGNAC EURO-PATRIMOINE

Coordinated French mutual fund (FCP) Simplified prospectus

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CARMIGNAC EURO-PATRIMOINE SIMPLIFIED PROSPECTUS

Coordinated French mutual fund (FCP)

SECTION A - STATUTORY

OVERVIEW

- ISIN code: FR0010149179
- Name: CARMIGNAC EURO-PATRIMOINE
- Legal structure: French mutual fund (*fonds commun de placement – FCP*)
- Sub-funds/feeder fund: no
- Management company: CARMIGNAC GESTION
- Accounting delegated to: CACEIS Fastnet
- Intended lifetime: this Fund was initially created for a period of 99 years
- Custodian: CACEIS Bank
- Centralisation of subscription and redemption requests: CACEIS BANK
- Statutory auditors: Cabinet Patrice VIZZAVONA and KPMG AUDIT
- Promoter: CARMIGNAC GESTION

INFORMATION ON INVESTMENTS AND MANAGEMENT

CLASSIFICATION

Balanced

INVESTMENT OBJECTIVE

The Fund is managed on a discretionary basis with an active asset allocation policy. Its objective is to outperform its performance indicator, which comprises 50% DJ Euro Stoxx 50 index and 50% capitalised Eonia index.

PERFORMANCE INDICATOR:

The Fund's performance indicator is the following composite index: 50% DJ Euro Stoxx 50 index and 50% capitalised Eonia index.

The Dow Jones Euro Stoxx 50 Price index is calculated ex-dividend in euro by Dow Jones and Stoxx (Bloomberg code: DJST). This index includes around 50 securities representing companies of European Community countries (data at 31/12/2004).

The EONIA index (Euro OverNight Index Average) is the average overnight rate in the eurozone. It is published by the European Central Bank and represents the risk-free rate of the eurozone.

The capitalised EONIA index expresses the daily performance of an investment with interest reinvested each day.

This index does not strictly define the investment universe but allows investors to assess the performance and risk profile that they can expect when investing in the Fund. The market risk of the Fund is comparable to that of its performance indicator.

INVESTMENT STRATEGY

A minimum of 75% of the portfolio is invested in equities of small, medium and large capitalisation companies of member countries of the European Economic Area traded on French and foreign markets which offer the best growth potential, without restriction in terms of allocation by geographical zones, business sectors or type of security.

A minimum of 75% of the Fund's portfolio is invested in securities eligible for the PEA (French equity savings plan). Net exposure to the equity markets may not exceed 50%.

The investment strategy involves varying the exposure of the portfolio to the equity markets in order to outperform the performance indicator (50% DJ Euro Stoxx 50 index + 50% capitalised Eonia index), depending on the fund manager's market expectations.

In order to minimise the price fluctuations associated with investments in equities and to regularly increase the net asset value, the Fund manager shall adopt an active hedging policy, where necessary, in order to reduce exposure to the equity markets so that the Fund presents a risk profile comparable to that of its performance indicator (50% DJ Euro Stoxx 50 index + 50% Eonia index, capitalised).

Up to 25% of the net assets may also be invested in markets outside the European Economic Area.

Up to 25% of the Fund's net assets is exposed to foreign exchange risk through the purchase of securities denominated in currencies other than those of the European Economic Area.

Where applicable, the portion of assets invested in equities of emerging countries may not exceed 10% of the assets of the FCP; the objective of these investments is to seek out opportunities in high-growth economic zones.

Up to 25% of the assets may be invested in fixed income products for the purpose of

risk diversification in the event of expected negative movements on the equity markets.

The manager reserves the right to invest up to 10% of the net assets in junk bonds on an ancillary basis.

For cash management purposes, the Fund may also invest a maximum of 10% of its assets in units or shares of UCITS on an ancillary basis.

Carmignac Euro-Patrimoine may use deposits and cash borrowings to optimise the management of cash within the Fund.

The Fund may enter into securities repurchase agreements (*pension*) and securities lending transactions on a limited basis in order to optimise its income.

RISK PROFILE

The Fund shall invest in financial instruments and, where applicable, UCITS selected by the Management Company. These financial instruments shall be subject to the evolution and fluctuations of the market.

Risk associated with discretionary management: discretionary management is based on the expected evolution of the financial markets. The FCP's performance will depend on the companies selected by the Management Company. There is a risk that the Management Company may not invest in the best performing companies.

Risk of capital loss: the portfolio is managed on a discretionary basis and does not guarantee or protect the capital invested. A capital loss occurs when a unit is sold at a lower price than that paid at the time of purchase.

Equity risk: as Carmignac Euro-Patrimoine is exposed to the risks of the equity markets, the net asset value of the fund may decrease in the event of a downward movement on the equity markets.

Interest rate risk: the portfolio may be exposed to interest rate risk through investment in fixed income products. Interest rate risk results in a decline in the net asset value in the event of a rise in interest rates.

Credit risk: credit risk is the risk that the issuer may default. Should the quality of corporate bond issuers decline, for example in the event of a downgrade in their rating by the financial rating agencies, the value of the corporate bonds may drop. The net asset value of the Fund may decrease.

Emerging markets risk: the operating and supervision conditions of these markets may deviate from the standards prevailing on the large international markets. Where applicable, the portion of assets invested in equities of emerging countries may not exceed 10% of the assets of the FCP.

Currency risk: up to 25% of the Fund's net assets is exposed to foreign exchange risk through the purchase of securities denominated in currencies other than those of the European Economic Area.

SUBSCRIBERS AND INVESTOR PROFILE

All investors

Investors include institutions (including associations, pension funds, paid leave funds and all non-profit organisations), legal entities and natural persons. The Fund's investment policy meets the needs of certain company treasurers, institutions subject to tax and high net worth individuals.

The Fund is intended for all types of investors, natural persons and legal entities wishing to diversify their investments in stocks of all capitalisations issued in the European Economic Area. The Fund has a defensive profile thanks to an active hedging policy.

RECOMMENDED INVESTMENT PERIOD

Given the balanced investment profile of the Fund, 50% of which is exposed to equity markets and 50% to fixed income markets, the recommended minimum investment period is 3 years.

The appropriate amount to invest in this fund depends on the personal situation of the investor. To determine this amount, the investor's personal wealth, his cash requirements both current and future, as well as his degree of risk aversion, must all be taken into account. Investors are also advised to sufficiently diversify their investments to avoid being exposed to the risks of this Fund only.

INFORMATION ON EXPENSES, FEES AND TAXATION

■ **SUBSCRIPTION AND REDEMPTION FEES**

Subscription fees increase the subscription price paid by the investor, while redemption fees decrease the redemption price. The fees charged by the FCP serve to offset the costs incurred by the FCP to invest and disinvest investors' monies. Fees not paid to the FCP are attributed to the management company, the Fund promoter, etc.

Expenses payable by the investor, deducted at the time of subscriptions and redemptions	Basis	Rate
Maximum subscription fee payable to third parties	net asset value X number of units	Maximum 4%
Subscription fee payable to the Fund	net asset value X number of units	None
Redemption fee payable to third parties	net asset value X number of units	None
Redemption fee payable to the Fund	net asset value X number of units	None

■ **OPERATING AND MANAGEMENT FEES**

These fees cover all the costs invoiced directly to the FCP, except transaction costs. Transaction costs include intermediary fees (brokerage, stock market taxes, etc.) as well as transaction fees, if any, that may be charged by the custodian and the management company in particular. The following fees may be charged in addition to the management and administration fees:

- performance fees. These reward the management company if the FCP exceeds its objectives; They are therefore charged to the FCP;
- transaction fees charged to the FCP;
- a portion of the income from temporary purchases or sales of securities.

For more details about the fees charged to the FCP, please refer to section B of the simplified prospectus.

Fees charged to the Fund	Basis	Rate
Management and administration fees, inclusive of tax (including all charges (other than transactions costs), performance fees and fees related to investments in UCITS or investment funds)	Net assets	Maximum 1.5% inclusive of tax
Performance fees	Net assets	Maximum 10% of the positive difference between the performance of the Fund and its performance indicator when it is established (1)
Transaction fees charged by the management company	Maximum payable per transaction	French stock exchange: 0.3% (inclusive of tax) on each transaction; this fee is 0.1% (inclusive of tax) for bond transactions Foreign stock exchange: 0.4% (inclusive of tax) on each transaction; this fee is 0.1% (inclusive of tax) for bond transactions

(1) Performance fees:

The performance fees are based on a comparison between the performance of the Fund and its performance indicator (50% DJ Euro Stoxx 50 index + 50% capitalised Eonia index) over the financial year.

The performance indicator comprises 50% DJ Euro Stoxx 50 index + 50% capitalised Eonia index.

The Fund's performance is calculated according to changes in the net asset value.

If over the financial year the Fund performs positively (calculated with gross dividend reinvested) and outperforms its performance indicator (50% DJ Euro Stoxx 50 index + 50% capitalised Eonia index), the variable part of the management fees shall represent 10% of the difference between the performance of the fund and the performance indicator (50% DJ Euro Stoxx 50 index + 50% capitalised Eonia index).

If over the financial year the Fund underperforms its performance indicator (50% DJ Euro Stoxx 50 index + 50% capitalised Eonia index), the variable part of the

management fees will be zero.

If, during the year, the Fund has performed positively since the beginning of the financial year and has outperformed its performance indicator (50% DJ Euro Stoxx 50 index + 50% capitalised Eonia index) calculated over the same period, this outperformance shall be the basis for a provision for the variable management fees on calculation of the net asset value.

In the event that the Fund underperforms its performance indicator (50% DJ Euro Stoxx 50 index + 50% capitalised Eonia index) between two net asset value calculation dates, any provision previously made shall be readjusted by a reduction in the provision. Such reductions in the provision are limited to the amount of previous contributions.

This variable part of the management fees shall only be received definitively at the close of each financial year if the performance of the Fund has been positive and greater than that of its performance indicator (50% DJ Euro Stoxx 50 index + 50% capitalised Eonia index) over the year. It is deducted annually from the last net asset value of the month of December by the management company.

These fees (the fixed fees and any variable amounts) shall be charged directly to the Fund's income statement.

■ **TAX REGIME**

Depending on your tax status, any capital gains and income resulting from the ownership of units of the UCITS may be subject to tax. For French investors, the FCP is eligible for the Equity Savings Plan (PEA): any capital gains and income are exempt from taxation provided the PEA has a minimum lifetime of 5 years. Switches within the PEA are not treated as sales. We advise you to obtain further information in this regard from the Fund promoter.

COMMERCIAL INFORMATION

COMMERCIAL INFORMATION

■ **SUBSCRIPTION AND REDEMPTION PROCEDURES**

Subscription and redemption requests are centralised on each NAV calculation and publication day (D) before 18:00, and are executed on the next business day on the basis of the net asset value calculated using the closing price of D and published on D+1.

Subscription and redemption requests received by Carmignac Gestion before 18:00 are precentralised by Carmignac Gestion and executed under the same conditions as above.

Subscriptions and redemptions resulting from a request transmitted after the cut-off time mentioned in the prospectus (late trading) are prohibited. Subscription and redemption requests received after 18:00 shall be treated as if they were received on the following NAV calculation and publication day.

■ **INSTITUTIONS RESPONSIBLE FOR ENSURING COMPLIANCE WITH THE CENTRALISATION CUT-OFF TIME INDICATED IN THE PARAGRAPH ABOVE:**

CACEIS Bank, 1-3 place Valhubert, 75013 Paris and CARMIGNAC GESTION, 24 place Vendôme, 75001 Paris.

Investors are reminded that requests transmitted to promoters other than the institutions indicated above must take into consideration the fact that the cut-off time for the centralisation of requests applies to said promoters vis-à-vis CACEIS Bank. Consequently, such promoters 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 requests to CACEIS Bank.

■ **FINANCIAL YEAR-END**

Date of the last net asset value of the month of December

■ **ALLOCATION OF INCOME**

Accumulation fund Dividends are recorded on an accruals basis.

■ **DATE AND FREQUENCY OF NET ASSET VALUE CALCULATION**

Daily;

The calendar used to determine the days on which the net asset value is published is the legal calendar of public holidays within the meaning of article L.222-1 of the *Code de Travail*, the French Labour Code.

■ **PLACE AND METHODS OF PUBLICATION OR COMMUNICATION OF THE NET ASSET VALUE**

Carmignac Gestion, Address: 24, place Vendôme, 75001 Paris. The net asset value is available 24 hours per day on the following number, +33 (0)1 42 61 62 00, and is displayed at the offices of Carmignac Gestion and on the Carmignac Gestion website: www.carmignac-gestion.com

■ **BASE CURRENCY OF THE UNITS OR SHARES**

euro

■ *CREATION DATE*

The Fund was approved on 21 January 1997 by the *Autorité des Marchés Financiers* (the French Financial Markets Authority), formerly the *Commission des Opérations de Bourse* (the French Stock Exchange Commission). It was launched on 31 January 1997 for a period of 99 years (ninety nine years).

■ *INITIAL NET ASSET VALUE*

The initial net asset value is EUR 152.45.

ADDITIONAL INFORMATION

■ *PUBLICATION OF INFORMATION ABOUT THE FUND*

The latest annual and semi-annual reports shall be sent to unitholders within one week upon written request to:

CARMIGNAC GESTION

24, place Vendôme

75001 PARIS

Email: carmignac@carmignac-gestion.com

The full prospectus is available on the website www.carmignac-gestion.com

Contact: Marketing and communications

Tel: +33 (0)1.42.86.53.35

Fax: +33 (0)1.42.86.52.10

Publication date of the prospectus: 01/03/2010

The AMF website (www.amf-France.org) contains additional information on the list of regulatory documents and all the provisions relating to investor protection.

This simplified prospectus must be made available to subscribers prior to subscription.

■ *PUBLICATION OF INFORMATION CONCERNING THE VOTING POLICY OF THE MANAGEMENT COMPANY AND ITS IMPLEMENTATION*

The "voting policy" document, the management company's report on the conditions under which it has exercised the voting rights of the UCITS that it manages and information concerning the vote on each resolution may be consulted at its registered office :

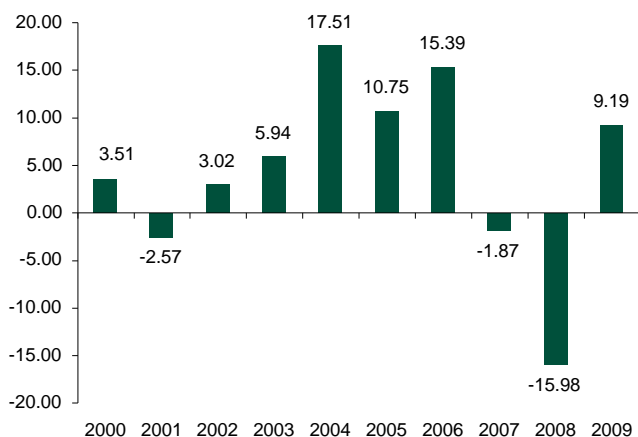
Carmignac Gestion, 24, place Vendôme, 75001 Paris. Email: carmignac@carmignac-gestion.com

SECTION B - STATISTICS**Fund performance at 31.12.2009 in EUR**

C units

FR0010149179

Annual performance as a %



Annualised performance in EUR	1 year	3 years	5 years
UCITS	9.19%	-3.43%	2.84%
Composite performance indicator: 50% DJ EURO STOXX 50 + 50% Capitalised EONIA	10.93%	-2.27%	2.59%

The Fund's performance is calculated with net dividends reinvested. That of the performance indicator, however, does not take distributed income into account.

*Past performance is not an indication of future performance.
Performance may vary over time.*

Performance calculations are provided in the Fund's nominal currency.

Comments:

Converted on 1 January 2003

Fees charged to and information concerning transactions of the Fund over the last financial year ended 31.12.2009**Fees charged to the Fund**

Management and administration fees	1.50%
Cost of investing in other UCITS or investment funds	n/a
Costs arising from the purchase of UCITS and investment funds	n/a
Trailer fees negotiated by the management company of the investing UCITS	n/a
Other fees charged to the Fund	1.13%
Performance fees	n/a
Transaction fees	1.13%
Total charged to the Fund	2.63%

Information concerning transactions

Transactions between the management company on behalf of the UCITS it manages and associated companies (market intermediaries) represented the following percentages of the total transactions in all asset classes for this financial year:

Asset class	Transactions
EQUITIES	None
BONDS	None

Management and administration fees

These fees include all fees directly charged to the Fund except transaction costs and performance fees, if any. Transaction costs include intermediary expenses (brokerage, stock market taxes, etc.) and transaction fees (see below). Management and administration fees in particular include fees for financial management, administration and accounting, and depository, custody and auditing fees.

Cost arising from the purchase of UCITS and/or investment funds

Certain UCITS invest in other UCITS or in foreign investment funds (target UCITS). Buying and holding a target UCITS (or an investment fund) causes the investing UCITS to bear two types of cost:

- subscription/redemption fees. However, the portion of these fees payable to the target UCITS is allocated to the transaction costs and so is not counted here.
- fees charged directly to the target UCITS, which constitute indirect costs for the investing UCITS.

In certain cases the investing UCITS can negotiate trailer fees, i.e. a rebate of some of these fees. These rebates serve to reduce the total fees that the investing UCITS actually pays.

Other fees charged to the Fund

Other fees may be charged to the Fund. Specifically:

- performance fees. These reward the management company if the Fund exceeds its objectives;
- transaction fees. Transaction fees are fees charged to the Fund on each transaction carried out in the portfolio. Details of these fees are given in the full prospectus. They accrue to the management company under the terms laid out in Section A of the simplified prospectus. Investors should note that these other expenses are liable to fluctuate substantially from year to year and that the figures shown here are those recorded during the previous financial year.