

Information regarding the mutual fund:

1. Name: *PAM*
2. Legal form: *limited stock company*
3. Incorporation date: *17 May 1991*
4. Lifetime: *unlimited lifetime*
5. Head office: *Place Sainte-Gudule 19, 1000 Bruxelles*
6. Status: *Multiple compartment fund that has opted for investments meeting the conditions of directive 85/611/CEE and is governed, with regard to its operation and investments, by the law of 20 July 2004 relating to certain forms of investment portfolio management*
7. List of the compartments marketed by the mutual fund:

PAM Equities Belgium, formerly P.A.M. Belgian Assets (07/05/91)
PAM Equities Europe, formerly P.A.M. European Assets (07/05/91)
PAM Equities North America, formerly P.A.M. American Assets (07/05/91)
PAM Liquidity Eur, formerly P.A.M. Treasury (23/06/92)
PAM Bonds Eur, formerly P.A.M. Bonds Euro (27/08/96)
PAM Equities European Small & Midcaps, formerly P.A.M. European Small & Midcaps (18/11/97)
PAM Equities Euroland, formerly P.A.M. Equity Euro (27/01/98)
PAM Real Estate Europe, formerly P.A.M. European Real Estate (06/12/99)
PAM Equities World (16/08/01)
PAM Equities Europe Dividend (30/08/02)
PAM Equities Europe Ethical (04/12/02)
PAM Equities Europe Recovery (11/06/03)
PAM Equities European Convergence (18/07/05)

8. The mutual fund's Board of Directors:

Chairman: Mr. Guy LERMINIAUX, Director of Petercam SA
Members: Mr. Léopold d'OULTREMONT, Honorary Stockbroker
Mr. Baudouin du PARC LOCMARIA, Director of Petercam SA
Mr. Johnny DEBUYSSCHER, Director of Petercam SA
Mr. Luc VAN den BRANDE, Petercam SA
Mrs. Sylvie HURET
Mr. Georges CABALLE
PETERCAM SA, whose permanent representative is Mr. Geoffroy d'Aspremont Lynden

9. Directors responsible for the effective management: *Mrs. Sylvie Huret and Mr. Luc Van den Brande, directors of the mutual fund. At the date of the present prospectus, Mrs. Sylvie Huret does not hold any mutual fund director mandates. Mr. Luc Van den Brande is also a director of PAM Multifund SA, a Belgian mutual fund, PAM (L) SA and Petercam Moneta SA, Luxembourg mutual funds, and PAM Alternative Investments PLC, an Irish mutual fund.*
10. Type of management: *Self-managed mutual fund*
11. Delegation of administration: *Petercam SA, brokerage company, Place Sainte-Gudule 19, 1000 Brussels*

PAM Bonds Eur
Approval date: 15/02/2006
Publication date: 01/04/2006

12. Delegation of investment portfolio management: *Petercam SA, brokerage company, Place Sainte-Gudule 19, 1000 Brussels*
13. Financial service: *Petercam SA, brokerage company, Place Sainte-Gudule 19, 1000 Brussels*
14. Distributor: *Petercam SA, brokerage company, Place Sainte-Gudule 19, 1000 Brussels*
15. Depository: *ING Belgique SA, Avenue Marnix 24, 1000 Brussels, Belgian credit institution and bank. The settlement of the transactions performed by the manager, the custody of assets, the execution, upon the manager's instructions, of operations involving assets, the collection of dividends and interest and certain monitoring tasks are the depository's main activities.*
16. Auditor: *DELOITTE & TOUCHE Auditors, SC s.f.d. SCRL, represented by Mr Philip MAEYAERT, Avenue Louise 240, 1050 Brussels*
17. Promoter: *Petercam SA, brokerage company, Place Sainte-Gudule 19, 1000 Brussels*
18. Persons bearing the costs in the circumstances referred to in articles 58, § 3, paragraph 3, 77, 83 and 84, 1st §, paragraph 3, 88 and 92, paragraph 3 of the royal decree of 4 March 2005 relating to certain public collective investment funds: *Petercam SA, brokerage company, Place Sainte-Gudule 19, 1000 Brussels*
19. Capital: *The registered capital is always equal to the value of the net assets. It may not be less than EUR 1,200,000.*
20. Rules for valuing assets:
Securities admitted to a securities listing or onto any other regulated market are valued at the last known prices. If these securities are traded on several markets, valuation is performed based on the last known price on the securities' main market.
Securities that are not listed or traded on a stock market or any other organised market and securities listed or traded on such a market, but whose last price is not representative, are valued based on the probable liquidation value, estimated with due caution and in good faith.
Collective investment funds are valued based on the net asset value.
Options are valued at the last known prices.
21. Account closure date: *31 December*
22. Rules relating to the appropriation of net proceeds: *For distribution shares, an interim dividend is paid at the end of the year if this is permitted by the distributable profits.*
23. Tax system:
** For the mutual fund:*
- Annual subscription tax of 0.07% (0.08% as of 01 January 2007), levied based on the net amounts invested in Belgium as at 31 December of the previous year.
- Recovery of the income tax on Belgian dividends and foreign income collected by the mutual fund (in accordance with the agreements preventing double taxation)

** For individual investors resident in Belgium:*
- Taxation of dividends (distribution shares): withholding tax of 15%
- No capital gains taxation, except for the following compartments, which are likely to directly or indirectly invest more than 40% of their assets in the debt securities referred to in article 19bis of the 1992 income tax code:
- Pam Bonds Eur
- Pam Liquidity Eur

Consequently, on the redemption of the capitalisation shares of an individual investor, the latter will be taxed through a withholding tax of 15% on the share of the total received from income from debt securities as determined below.

If the investor cannot prove the acquisition date of the shares, or if he acquired them before 01 July 2005, he is deemed to be their holder as of this date for the determination of the taxable amount. The collective investment fund is able to determine the amount of income received from debt securities. Consequently, the taxable amount for the investor is equal to the income from debt securities referred to above received by the mutual fund since the date when the shares were acquired by the investor.

* For an individual investor requesting a subscription or redemption within a Member State of the European Union, or a comparable territory referred to by the law of 17 May 2004 transposing into Belgian law directive 2003/48/CE of 3 June 2003, where he has not established his residence:

Table valid from 30/04/06 to 30/04/07 presenting the tax status applicable to dividends and redemptions and the effective percentage of the direct and indirect investments in debt securities:

Compartment	Class of share	Tax status applicable to:		Effective % of the direct and indirect investments in debt securities
		Dividends	Redemptions	
Pam Equities Belgium	Cap	N/A	Not covered	0.12%
Pam Equities Belgium	Dis	Not covered	Not covered	0.12%
Pam Equities Europe	Cap	N/A	Not covered	2.67%
Pam Equities Europe	Dis	Not covered	Not covered	2.67%
Pam Equities North America	Cap	N/A	Not covered	0.33%
Pam Equities North America	Dis	Not covered	Not covered	0.33%
Pam Liquidity Eur	Cap	N/A	Covered	70.86%
Pam Liquidity Eur	Dis	Covered	Covered	70.86%
Pam Bonds Eur	Cap	N/A	Covered	69.64%
Pam Bonds Eur	Dis	Covered	Covered	69.64%
Pam Equities European Small & Midcaps	Cap	N/A	Not covered	0.49%
Pam Equities European Small & Midcaps	Dis	Not covered	Not covered	0.49%
Pam Equities Euroland	Cap	N/A	Not covered	0.47%
Pam Equities Euroland	Dis	Not covered	Not covered	0.47%
Pam Real Estate Europe	Cap	N/A	Not covered	5.52%
Pam Real Estate Europe	Dis	Not covered	Not covered	5.52%
Pam Equities World	Cap	N/A	Not covered	0.96%
Pam Equities World	Dis	Not covered	Not covered	0.96%
Pam Equities Europe Dividend	Cap	N/A	Not covered	1.94%
Pam Equities Europe Dividend	Dis	Not covered	Not covered	1.94%
Pam Equities Europe Ethical	Cap	N/A	Not covered	6.14%
Pam Equities Europe Ethical	Dis	Not covered	Not covered	6.14%
Pam Equities Europe Recovery	Cap	N/A	Not covered	0.91%
Pam Equities Europe Recovery	Dis	Not covered	Not covered	0.91%
Pam Equities European Convergence	Cap	N/A	Not covered	19.25%
Pam Equities European Convergence	Dis	Covered	Not covered	19.25%

"The system for the taxation of the income and capital gains received by individual investors depends on the tax legislation applicable according to the personal circumstances of each individual and/or the place where the capital is invested. This means that if an investor is not sure of his tax situation, it is up to him to seek the advice of professionals or, where applicable, the local authorities".

24. Additional information:

24.1. Sources of information:

** On request, annual and half-yearly reports and complete information about the other compartments may be obtained, free of charge, before or after subscribing to shares, from Petercam SA, brokerage company, Place Sainte Gudule 19, 1000 Brussels.*

** The total expense ratio and portfolio rotation rates for previous periods may be obtained from the following address: Petercam SA, brokerage company, Place Sainte-Gudule 19, 1000 Brussels*

** The following documents and the following information may be consulted on the financial services's website, www.petercam.be: articles of incorporation, abridged prospectus, annual report, half-yearly report and net asset value*

** Information about the steps taken to make payments to the participants, the redemption or repurchase of shares and the distribution of information regarding the mutual fund: from Petercam SA, brokerage company, Place Sainte-Gudule 19, 1000 Brussels*

24.2. Annual General Meeting of Shareholders: *the third Wednesday of March at 11:00 am, at the head office or at any other location stated in the convening notice*

24.3. Competent authority:

CBFA (banking, finance and insurance commission)

Rue du Congrès 12-14, 1000 Brussels

The prospectus is published after being approved by the CBFA, in accordance with article 53, 1st §, of the law of 20 July 2004 relating to certain forms of collective investment portfolio management. This approval does not include any assessment of the potential and quality of the offer, or of the situation of the fund offering it. The official text of the articles of incorporation has been filed with the registrar of the commercial court.

24.4. Point of contact from which additional explanations may be obtained if necessary: *Petercam SA, brokerage company, Place Sainte-Gudule 19, 1000 Brussels (+32 2 229 62 62), Infocentre, from 8:30 am to 5:00 pm on the financial service's business days.*

24.5. Person responsible for the content of the prospectus and the abridged prospectus: *The Board of Directors of PAM SA, Place Sainte-Gudule 19, 1000 Brussels*

24.6. Two appendices are attached to the present prospectus:

** information revisable annually relating to the period from 31/12/2004 to 31/12/2005*

** articles of incorporation.*

Information regarding the compartment:

1. Presentation

- 1.1. Name: PAM BONDS EUR
- 1.2. Incorporation date: 18 September 1996
- 1.3. Lifetime: unlimited lifetime

2. Information regarding the investments

2.1. Objectives of the compartment:

This compartment contains investments in bonds and other debt or equivalent securities denominated in euro or that are short-, medium- or long-term, issued both for trading on the markets of EU Member States and on those of non-members, with a fixed or floating rate, offering a periodic or capitalised return.

The compartment, as the result of an exemption granted by the CBFA, may invest up to 100 % of its assets in the various issues of securities issued or guaranteed by a Member State of the European Union, by its local public authorities, by a Member State of the OECD or by international public organisations to which one or several Member States of the European Union belong, as long as they are split between at least six issues, of which none exceeds 30% of the compartment's net assets. The compartment may employ derivatives, if they meet the restrictions imposed by Belgian legislation and regulations, and hold liquidities in a secondary or temporary extent in the form of current accounts, deposits or securities.

Characteristics of bonds and debt securities: The portfolio's bonds and debt securities may be issued both by public authorities and by companies or other private issuers without the imposing of a minimum or maximum percentage per category. The compartment reserves the freedom to choose the duration of the portfolio or of individual securities. The securities invested in will be qualified as 'investment grade' or equivalent.

No formal guarantees have been granted either to the compartment or to its shareholders.

2.2. Compartment investment policy:

** Authorised categories of assets: securities and money market instruments admitted on a regulated market, inside or outside the European Economic Area, newly issued securities, shares in collective investment funds, which may or may not meet the conditions provided for by directive 85/611/CEE and may or may not be within a Member State of the European Economic Area, derivative instruments, including equivalent instruments giving rise to payment in cash, traded derivative instruments and other money market instruments and liquidities, as long as these securities and money market instruments are compatible with the compartment's objectives (see 2.1)*

** Authorised operations in derivative financial instruments: operations are executed by way of hedging (e.g. buying of puts or sale of calls on underlying positions held in the portfolio) or with a view to meeting the investment objectives (e.g. buying of calls or sale of puts on underlying positions not held in the portfolio). The effect of these operations has no real impact on the compartment's risk profile.*

** The compartment may have recourse to the lending of financial instruments, if this is permitted by the legal and regulatory provisions relating to collective investment funds.*

** Social, ethical and environmental aspects: A check is performed to make sure that the securities in which the compartment invests have not been issued by a company whose activity consists of the production, use or owning of anti-personnel mines.*

2.3. The compartment's risk profile:

* The value of a share may increase or decrease. This means that investors may get back less than they originally invested.

* Description of the risks considered to be significant and relevant, as assessed by the compartment:

<i>Market risk (risk of a decline in the market for a given category of assets that may affect the prices and value of the assets in the portfolio):</i>	<i>low, owing to the investment in bonds</i>
<i>Credit risk (risk of bankruptcy of an issuer or a counterparty):</i>	<i>low, owing to the investment in bonds that are investment grade or above</i>
<i>Settlement risk (risk that an operation will not be settled as anticipated within a given transfer system, owing to a failure to pay/deliver by a counterparty, or a payment or delivery that does not meet the original conditions):</i>	<i>low, owing to the way in which the operations are settled: delivery against payment</i>
<i>Liquidity risk (risk that a position cannot be liquidated at the appropriate time and at a reasonable price):</i>	<i>low, as the investments are mainly in investment grade bonds considered to be easily tradable</i>
<i>Exchange risk (risk that the value of the investment will be affected by a variation in exchange rates):</i>	<i>nil, owing to its management policy (see 2 above)</i>
<i>Concentration risk (risk connected with having a high concentration of investments in a given category of assets or on a given market):</i>	<i>low, as the investments are mainly made in Europe</i>
<i>Performance risk (risk relating to performance, including the variability of the risk levels according to the selection made by each compartment, the existence or absence of third-party guarantees and the restrictions attached to these guarantees):</i>	<i>not applicable, as the management policy does not impose the monitoring of the composition of an index reflecting the relevant market and no performance committee is foreseen</i>
<i>Capital risk (risk relating to capital, including the risk of erosion following share redemptions and distributions exceeding the yield):</i>	<i>possible; the compartment does not benefit from capital protection or a capital guarantee</i>
<i>Inflation risk (risk that the value of the portfolio's assets may fall owing to inflation):</i>	<i>medium, in view of the investments in long-term bonds</i>
<i>Flexibility risk (lack of flexibility of the product itself and restrictions limiting the possibility of moving to other suppliers):</i>	<i>nil</i>

2.4. Risk profile of the typical investor:

Defensive

3 year investment horizon

3. Economic information:

3.1. Fees and expenses:

Non-recurring fees and expenses borne by the investor (in the compartment's currency or as a percentage of the net asset value per share)			
	Upon subscription	Upon redemption	Change of compartment
Marketing fee	Negotiable with 3% maximum	--	Potential difference between the marketing fee for the new compartment and that for the present compartment
Administrative expenses	--	--	--
Amount intended to cover the asset acquisition/liquidation expenses	--	--	--
Amount intended to discourage any redemption within the month that follows subscription	--	--	--
Tax on stock market operations	--	Capitalisation shares: 1.1% with a maximum of EUR 750	Cap. to Cap./Dis.: 1.1% with a maximum of EUR 750
Recurring fees and expenses borne by the compartment (in the compartment's currency or as a percentage of the net asset value per share)			
Remuneration for investment portfolio management	0,30% per year, drawn daily		
Remuneration for administration	0.05% per year, drawn daily		
Remuneration of the financial service	EUR 3,000 per year		
Remuneration of the depository	EUR 3,718, plus a max. of 0.05% of the assets according to their type per year, drawn monthly		
Remuneration of the auditor	EUR 1,983.15 per year + VAT		
Remuneration of directors	Max. of EUR 5,000/year per director not connected to the Petercam group, payable by PAM and split equally between the compartments		
Remuneration of individuals responsible for the effective management	Max. of EUR 5,000/year per director not connected to the Petercam group, payable by PAM and split equally between the compartments		
Annual tax	0.07% (0.08% as of 01 January 2007) of the net amounts invested in Belgium as at 31 December of the previous year		
Other expenses (estimation)	0.10% per year		

3.2. Existence of fee-sharing agreements:

Such agreements between the manager or the distributors and third parties exist, but are in no way exclusive. The management fee is distributed according to market conditions.

4. Information regarding shares and their trading:

4.1. Types of shares offered to the public: registered or bearer and capitalisation (ISIN code BE0943877671) or distribution (ISIN code BE0943876665) shares.

4.2. Currency in which the net asset value is calculated: EUR

4.3. Distribution of dividends: an interim dividend is distributed, where appropriate, during the month of December. Shareholders are informed of the payment of the dividend by a notice in the press.

4.4. Voting rights of shareholders: Each share provides entitlement to one vote within its compartment, the vote attached to capitalisation shares being weighted by the parity specific to this compartment. For voting on resolutions affecting all the company's compartments, the vote attached to each of the shares is weighted by the fraction of the registered capital that it represents, according to the company's last net asset value established before the Meeting. The total votes per shareholder is established without vote fractions, excluding the application of article 560 of the

Companies Code. Except for cases in which the law requires qualified majorities and quorums, and within the limits that it sets, decisions are made according to the simple majority of the votes expressed, regardless of the number of shares represented at the Meeting.

4.5. Liquidation of the compartment: *The General Meeting, on the proposal of the Board of Directors, ruling as on amendments to the articles of incorporation, may decide on the liquidation of these compartments.*

In such cases, as in the case of the company's dissolution, liquidation is carried out by the Board of Directors, acting as a liquidation committee, unless the competent General Meeting has expressly designated one or several liquidators for this purpose and determined their remuneration.

The allocation of the proceeds of liquidation to the shareholders of the liquidated compartment(s) takes the form of the identical and simultaneous redemption of shares for all shares of the same class and from the same compartment. Subscription or redemption requests for the shares of a compartment whose liquidation is envisaged are suspended upon the publication of the notice of the General Meeting called on to approve this decision. Petercam SA, brokerage company, Place Sainte Gudule 19, 1000 Brussels, contributes to the liquidation costs if, during the twelve months preceding notice of the proposed liquidation redemptions that together represent more than 30% of the net assets at the time of the dissolution have occurred. Petercam SA reserves the right to claim this contribution from individuals who have requested redemptions of the compartment's shares equal to more than 5%, overall, of the total shares existing during this same period.

4.6. Initial subscription date: *4 October 1996*

4.7. Initial subscription price: *BEF 5,000; EUR 123.98 (EUR 1 = BEF 40.3399). On 26/10/04 the shares were divided by four. On 30/12/2004, the compartment has absorbed the compartment Belginvest Bonds in the context of the merge by absorption of the fund Belginvest SA by Pam SA.*

4.8. Calculation of the net asset value: *The net asset value is calculated on each working day (Cf. Point 4.10).*

4.9. Publication of the net asset value: *The net asset value per share is published every day in De TIJD, L'Echo, Het Financieele Dagblad (The Netherlands), La Tribune (France) and once a week in L'AGEFI (Switzerland). This information is also available at the counters of the organisation providing the financial service.*

4.10. Procedure for subscribing to shares, redeeming shares and changing compartment:

Each day that it accepts share subscription and redemption requests and on the closing of the financial year on the last day of the calendar year, the company closes its accounts and makes an inventory of its assets and liabilities, in order to determine the net asset value of each of the compartments, according to which the share price is set. The net asset value of a compartment's distribution shares is equal to the net asset value of this compartment divided by the number of existing shares of both classes, the number of capitalisation shares being multiplied by the parity coefficient specific to said compartment. The capitalisation shares' net asset value is equal to the product of this coefficient multiplied by the net asset value of the distribution shares.

** D = date of the order acceptance deadline (4:00 pm every day that the financial service is open) and date of the published net asset value. Requests legitimately made and accepted before 4:00 pm take effect on the next working day, at the price determined according to the net asset value established on this day based on the latest known or estimated prices of the previous day. Saturday is not considered to be a working day. The prices used on this day cannot be known for more than 80% of the assets' value at the acceptance deadline. Otherwise, the prices for the next trading day are used. Requests received after 4:00 pm on a working day are deemed to have been made on the next business day before 4:00 pm.*

The order acceptance deadline given here is only valid for the financial service and distributors referred to in the prospectus. For other distributors, the investor must contact them to find out the deadline for order acceptance.

** D + 1 = date when the subscription and redemption requests made on day D are executed and date of the calculation of the net asset value based on the prices for the day preceding D + 1 business day, as long as at least 80% of the net assets are valued at prices that are unknown at the order acceptance deadline on day D.*

** D + 3 = date of payment or redemption for requests*

4.11 Suspension of the redemption of shares:

As provided for in article 102 of the royal decree of 04/03/2005, subscription and redemption requests are suspended, upon the initiative of the mutual fund's Board of Directors and for the period that it determines, if, in view of the circumstances, their execution might unduly damage the legitimate interests of all the shareholders. Other exceptional circumstances, such as those described in article 103 of the royal decree of 04/03/05, may also lead to the suspension of subscription and redemption requests.

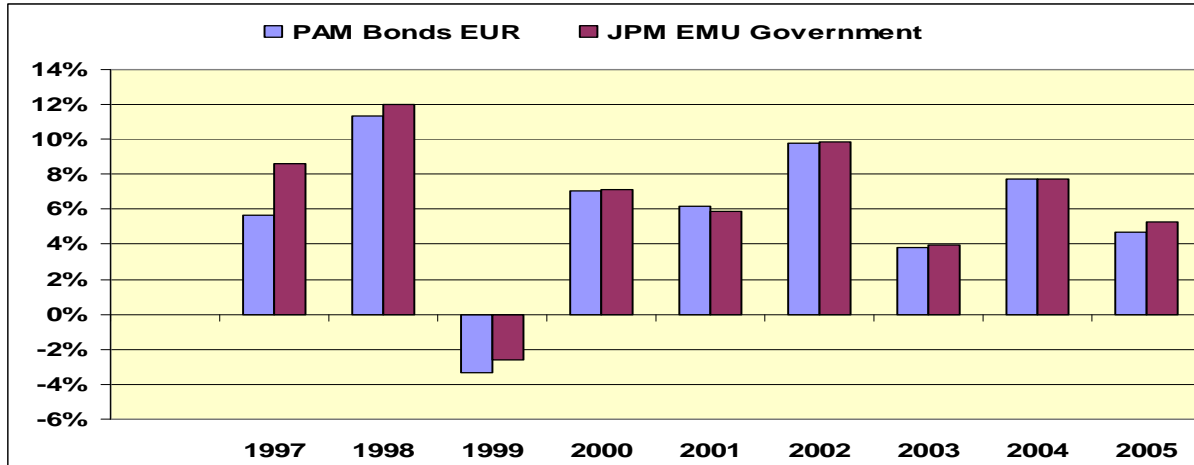
Appendix: information revisable annually relating to the period from 31/12/2004 to 31/12/2005

1. Synthetic risk indicator: 1 on a scale going from 0 (lowest risk) to 6 (highest risk)

2. Historical performance per share category:

* These are past figures and are not indicators of future performance. These figures do not take into account possible restructuring.

* Performance chart



* Table of historical performance:

1 year		3 years		5 years		Since 04/10/1996	
Compartment	JP Morgan Gov EMU (1)	Compartment	JP Morgan Gov EMU (1)	Compartment	JP Morgan Gov EMU (1)	Compartment	JP Morgan Gov EMU (1)
	4.7%	5.4%	5.7%	6.4%	6.5%	5.8%	6.6%

These are the performance figures for the capitalisation shares

(1) JP Morgan Government EMU. The index is only used to compare the compartment's total return and not to monitor the index's composition.

3. Total expense ratio (TER):

* 0.41%

* The following expenses are not included in the TER: transaction and delivery expenses inherent to investments and financial expenses

* If the subscription fee paid to the CBFA is excluded, the TER equals: 0.36%

4. Rotation rates:

* Portfolio rotation rate: -108.07%

* Adjusted portfolio rotation rate: -100.52%