

La Française Global AM

Full Rating Report

Asset Manager Rating



Outlook

Stable

Profile

Assets under management (Sept 16)	EUR35bn
EBITDA (Sept 16)	EUR4.6m
Date of creation	2009
	(UFG/LFP merger)
Domiciliation	France
Ownership	94% by Crédit Mutuel Nord Europe
Total staff	87
Investment professionals	41

Key Rating Drivers

Specialised Investment Capabilities: The rating reflects La Française Global AM's specialised investment capabilities, reasonably diversified asset mix, strong governance standards that support the alignment of interests with clients and its long-standing committed shareholders. A stronger best execution audit trail and trade control management complement the robust compliance and control framework.

Robust Control Framework: Best execution and trade management have been strengthened with robust audit trail and control management. The compliance, risk and control framework is well resourced, supported by relevant data and tools. Third parties are appropriately overseen, notably through recently reviewed custodian agreements in the context of regulator changes. Investment risk management resources allow good market risk oversight.

Multi-Asset Reshuffle: Investment teams have been broadly stable since the early-2014 reorganisation. The exception is the recently reshuffled multi-asset team, to address portfolio construction dysfunction. Newly introduced model portfolios, a portfolio construction committee and stronger risk monitoring have enhanced the discipline of investment-decision-making for multi-asset portfolios. It now has to stabilise and improve drawdown management.

Fundamental Portfolio Management: Fundamental investment processes are implemented in a disciplined manner that emphasises top-down input and committee-driven decision-making. Financial engineering provides an increasingly efficient support. The reshaped equity process benefits from streamlined tools and processes to integrate analytical input from Inflection Point Capital Management (IPCM).

Efficient Operational Set-Up: Operations are scalable with highly automated workflow. TriOptima now supports OTC derivatives post-trade workflows; it is being deployed for all counterparties. Further system enhancements are in the pipeline to simplify collateral management and support swap processing. Client reporting follows best market standards.

Integrated, Proprietary IT Platform: Light Trade, the integrated, proprietary IT system, efficiently supports the company's activities. It is increasingly complemented by third-party vendor solutions. Major projects in progress include the redesign of the product reference database and stabilisation of modules supporting reporting, portfolio and risk management.

Category Scores

	Good Standards	High Standards	Highest Standards
Company			✓
Controls			✓
Investments		✓	
Operations		✓	
Technology		✓	

Source: Fitch

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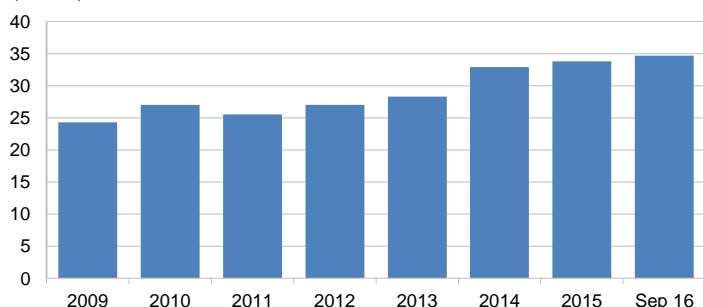
Profile

Mid-Sized, Diversified Player: La Française Global AM is the securities management arm of La Française group, majority-owned by Crédit Mutuel Nord Europe (CMNE). Fitch's rating scope includes fixed income, cross-asset and equity portfolio management activities undertaken by La Française AM and La Française Inflection Point (LFIP).

AUM Breakdowns

AUM Growth

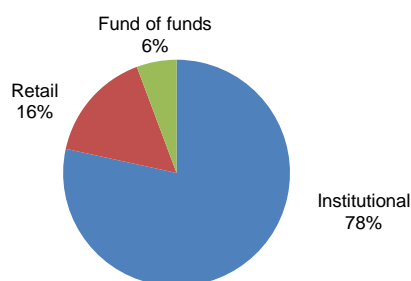
(EURbn)



Source: La Française AM

AUM Breakdown by Client Type

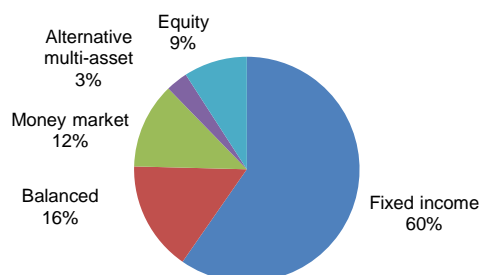
As at Sept 2016



Source: La Française AM

AUM Breakdown by Asset Class

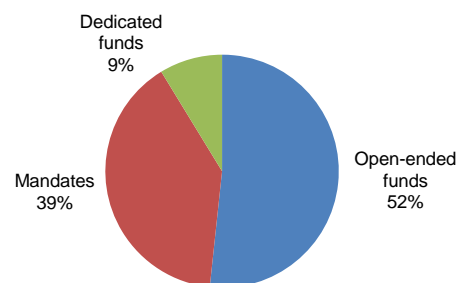
As at Sept 16



Source: La Française AM

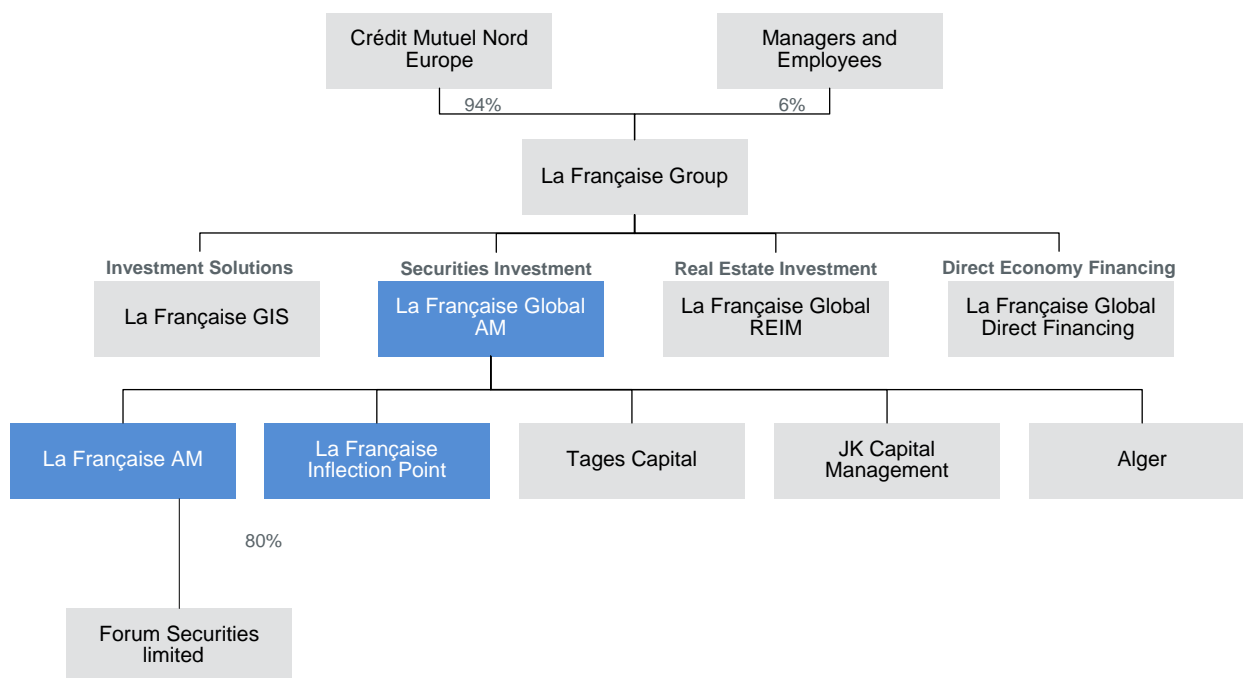
AUM Breakdown by Vehicle

As at Sept 2016



Source: La Française AM

La Française – Corporate Structure



Source: La Française AM

Related Criteria

[Asset Manager Rating Criteria \(May 2014\)](#)

Company

Shareholding and Financial Standing

Long-standing, committed and financially sound shareholder

La Française Global AM is the securities management arm of La Française group, a French asset management company. It is 94%-owned by CMNE, an investment-grade, quality euro-regional bank and insurance group. CMNE is structured as a cooperative group with local branches in Northern France, Belgium and Luxembourg jointly owning the group's central body. The remainder of La Française group's shares are held by its employees and senior managers, consistent with the entrepreneurial culture of the company.

La Française Global AM benefits from the long-standing relationship and financial strength of CMNE, which has historically demonstrated its commitment to the company through the provision of capital to develop new products and support of corporate development initiatives.

Diversified asset mix, domestic client base

La Française Global AM is a profitable business supported by a reasonably diversified asset mix, although the operating margin has declined and its financial gearing is limited. However, it is more material at the La Française group level. The client base does not exhibit excessive investor concentration outside the CMNE group insurance company.

As part of CMNE's long-term planning, La Française Global AM targets substantial growth of its asset base by 2020 with a controlled cost base and leverage on reshaped investment capabilities, notably equity and absolute return.

Experience

15 years' experience supported by strategic partnerships

La Française Global AM has consolidated around core investment activities and manages a sufficiently broad product range, spanning fixed-income, sustainable equity, multi-asset, Asian and US investments, and a diversified, still mainly domestic, client base.

It was formed in 2009 through the merger between UFG group, CMNE's historical asset manager, and LFP Investissements, an independent asset management company.

In December 2013 and February 2014, La Française AM finalised its partnerships with and participation in IPCM and Tages Capital, to strengthen its capabilities in equity research and fund of hedge funds management, respectively. The company also increased its participation in JK Capital Management in July 2014 to support its Asian development. The nature and scope of these operations broaden La Française AM's investment expertise while allowing continuity of existing operations. At end-2014, a partnership with Alger, a US asset manager, was established to develop cross-selling between the two entities. In 2016, La Française AM acquired an 80% stake in Forum Securities Limited, a US manager, focused on global REITs.

The company has streamlined its product range and is working more closely with the bank's networks, notably for multi-asset products. It is aiming to leverage on its experience with Solvency II-related investment solutions developed for the group's insurance company to expand its footprint with non-group institutional investors.

International expansion is led by the company's cross-border business through its Luxembourg platform and offices abroad. It has been most successful in Belgium and Spain, although domestic investors represent 90% of AUM.

Company (Cont.)

Governance and Independence

Formal corporate governance framework, group oversight	<p>La Française group's corporate governance framework is organised around a management board of directors and a supervisory board. The management board comprises the company's CEO, chairman and general counsel. All three have executive and management responsibilities within the group. The supervisory board's eleven members provide an additional layer of oversight independent of La Française group's day-to-day management.</p> <p>La Française AM's governance was strengthened in 2015 with the implementation of a similar set-up around a supervisory board and management board of directors.</p> <p>La Française Global AM and its affiliates are under the close supervision of CMNE group and subject to regular internal audits. It is regulated by the AMF. In July 2014, La Française group and its affiliates were approved as alternative investment fund managers (AIFM) under the European directive.</p> <p>There is limited risk of conflicts of interests between La Française Global AM's fiduciary duties and its parent or affiliates as they do not have investment banking or brokerage activities. The group's insurance company delegates asset management to La Française Global AM primarily through segregated mandates. A simplified structure governing the relationship between the asset manager and its insurance parent is planned for 2017, notably to more clearly define responsibilities between the two entities.</p>
Adequate fund governance	<p>The company primarily manages mutual and dedicated investment funds under French law (FCPs), which have no legal personality. It also manages Luxembourg-domiciled SICAVs (UCITS), the largest one being La Française LUX. La Française Global AM managed SICAVs do not have independent board members, bar for the Alger SICAV.</p> <p>Fund administration and custody have been delegated to BNP Paribas Securities Services (BPSS) for France and Luxembourg-domiciled mutual funds since 2001. Other custodians, such as Caceis or Société Générale, may be used for mandates or dedicated funds. BPSS and other service providers are assessed internally and their service quality is monitored by the internal control team.</p>

Company (Cont.)

Staffing

Consolidated organisation; clear segregation of responsibilities

La Française Global AM's organisation structure consolidated after it was revisited in early 2014 following the departure of its former chief investment officer (CIO), new partnerships and corporate operations (see *Experience* section). The current organisation is lean and provides greater responsibility to CIOs and portfolio managers.

The various company functions are identified and segregated. Portfolio and investment risk management teams report directly to La Française Global AM's CEO while support functions, such as HR, finance, IT, operations and compliance and control, are centralised at La Française Group, covering all investment centres, including La Française Global AM's entities. See Functional Organisation Chart below.

Experienced and stable staff

Senior managers have extensive experience in asset management. Most of them have a common history within the group and have been running the company together since the UFG/LFP merger in 2009.

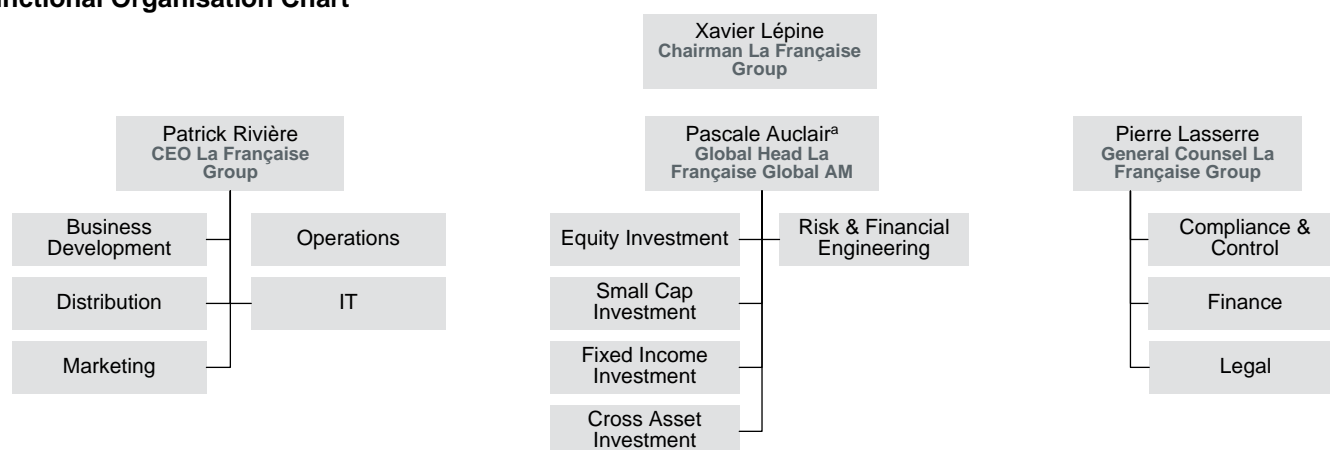
Teams are generally stable, adequately staffed and well experienced. The company has expanded its workforce and investment capabilities in sustainable investments, fund of hedge funds, Asian investments and more recently US equities through the acquisition of IPCM, Tages Capital, JK Capital Management, and a partnership with Alger, respectively. Internal promotion and mobility are sought and encouraged.

Good alignment of interests

La Française Global AM's compensation policy and staff benefits provide for a good alignment of interests with clients. The employees' remuneration framework includes a variable-part salary linked to relevant qualitative criteria and quantitative factors that vary depending on job types and positions. For portfolio managers, these include the performance of the funds they manage and an evaluation of their funds' compliance with regulatory investment constraints.

Free equity shares in La Française group are offered to department heads and a few key personnel of around 10 staff. All staff benefit from attractive subscription conditions on in-house funds.

Functional Organisation Chart



^a Pascale Auclair is global head of La Française Global AM, CEO of La Française AM and chairman of LFIP
Source: La Française AM

Controls

Overall Risk Control Framework

Robust independent control structure	<p>The risk control framework primarily rests on the central internal control, compliance and operational risk department, located at La Française group level, and La Française Global AM's risk management function. Controls and risk monitoring are well-balanced and provide good coverage of risk areas. Reporting lines ensure that adequate independence relative to investment and operational staff is maintained and senior management is well involved.</p> <p>Internal control, compliance and operational risk staff comprises 15 employees, of whom three are fully dedicated to the La Française Global AM scope. The team has a dual reporting line to the general counsel of La Française group and to that of the CMNE group. It also has the responsibility of providing the company's supervisory board with regular information and reporting. A detailed quarterly internal control report is prepared and widely circulated.</p> <p>The risk management team of seven is part of the wider financial engineering, reporting and risk group, which comprises 17 staff and reports directly to the global head of La Française Global AM.</p> <p>La Française Global AM is subject to regular audits by its shareholder, CMNE.</p>
Procedures well documented, tight operational risk management	<p>Operational risk management falls under the remit of the compliance, internal control and operational risk department. Procedures and policies are well documented, with comprehensive coverage. The risk map is regularly reviewed and updated; it covers middle- and front-office activities. All risk identified and controls are monitored in the company's operational risk tool, Cirocco.</p> <p>The frequency and impact of operational losses do not highlight major issues or failures.</p>
Reviewed custodian agreements	<p>Custodian service level agreements were reviewed over the past year in the context of the AIFM and UCITS V directives. La Française AM has a long-standing relationship with BPSS as its principal fund administrator and custodian. The service provider was selected following a formal initial Request For Proposal (RFP) process and was last fully re-assessed in 2012. The service quality of BPSS, and of other custodians, is monitored by the middle office and through regular controls from the internal control team.</p>

Controls (Cont.)

Compliance and Controls

Good compliance practices	<p>Compliance and controls procedures are supported by built-in controls in the company's backbone application and by direct and well-interfaced access to that tool.</p> <p>Personal transactions are subject to annual holdings' reporting requirements. Transactions on directly held securities are forbidden for all employees, and fund managers must obtain permission before investing, including in their own funds.</p> <p>Relevant "Know Your Client" (KYC) practices, including client reviews and questionnaires, are in place at the entity ensuring product distribution, La Française AM Finance Services. In addition, about 100 people are trained on client regulatory constraints within the group.</p> <p>All sales-related documents are independently reviewed by the internal control department, including presentations, reports, fund factsheets, website publications, questionnaires, and on a case-by-case basis, requests for proposals.</p>
Strengthened best execution audit trail	<p>Best execution, best selection and trade management have been a strong focus in 2016. They have been strengthened with more robust audit trail and control management. The company uses electronic order books, and the fair allocation of orders is adequately handled through the system.</p> <p>Most equity orders (more than 80%) are carried out via three execution-only brokers. For other eligible brokers, shared commission agreements are in place to separately remunerate research. Orders are transmitted by Portfolio Managers (PM) assistants.</p> <p>Fixed-income PMs trade themselves, and have the obligation to obtain quotes from at least two different sources.</p> <p>The procedure for selecting and evaluating financial intermediaries is documented and involves a voting system. The list of authorised intermediaries is regularly reviewed, as were all ISDA agreements for OTC transactions recently. Eligible brokers and counterparties are available in the order management system, which prevents any trade from being carried out with a non-eligible entity.</p>
Key controls on investment constraints automated	<p>Post-execution controls are thoroughly carried out via a compliance engine within La Française Global AM's core system. Regulatory, statutory limits and client guidelines are coded in the portfolio and order management system for automated pre-trade alerts and controls.</p> <p>First level controls of regulatory, statutory, socially responsible investment (SRI) and internal ratios are carried out by the middle office. Internal control runs second level controls, which are documented in a detailed internal report.</p>
Adequate policies for instrument valuation	<p>Fitch sees limited pricing risk within the rating perimeter as La Française Global AM uses only a few complex instruments (a few swaps and structured products). It benefits from the activity of LFGIS, for which the risk control team has reviewed and expanded its pricing models for complex products.</p> <p>Valuation issues are properly addressed by the senior management, with IT and risk control. Valuations are independently controlled by the internal control department, at least once each year. The asset manager performs a counter-valuation of instruments and has escalation procedures to deal with discrepancies.</p>

Controls (Cont.)

Investment Risk Management

Advanced quantitative market risk management

The risk management team monitors portfolios' risks with the adequate level of independence from investment, allowing good market risk oversight. RiskMetrics is used to calculate ex-ante volatility, tracking error and value at risk (VAR) on all portfolios. Connected to the Light Trade system, it has a comprehensive coverage of strategies. Market risks are formally reviewed by a monthly risk committee involving La Française Global AM top management.

The financial engineering team provides support to investment teams for risk analytics, using a combination of internally developed tools and distinct vendor solutions. Bloomberg PORT has been implemented recently for portfolio construction simulations and stress testing, to replace Risk Data. Detailed and multi-layer weekly investment risk dashboards are shared with investment teams, providing relevant risk analysis for investment sub-strategies. They have been instrumental in providing the equity and, more recently, the multi-asset processes with robust tools supporting investment decision-making.

Credit risks are reviewed every month by an internal rating/monitoring committee. Dashboards showing exposure on each issuer and fund, with agency and internal ratings are regularly provided to portfolio managers, senior management and control.

Good oversight of liquidity risk

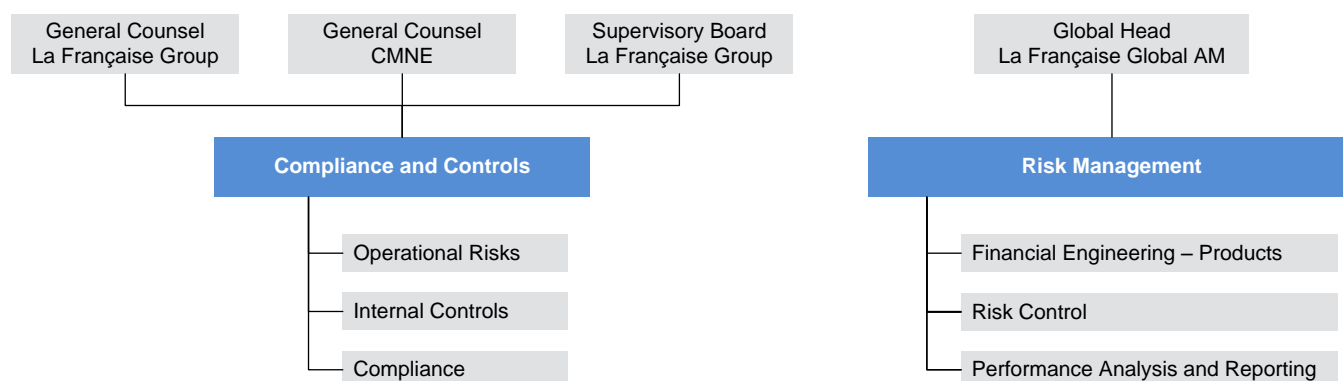
Robust liquidity risk management draws on a new liquidity stress test, and the monitoring of Markit scoring and investor concentration. Funds most sensitive to liquidity risk invest in subordinated financial debt, emerging market debt, global credit and small cap equities.

The team monitors the structure and concentration of liability, and regularly performs stress tests on the investor base. A liquidity committee, covering all funds and mandates, takes place on a monthly basis.

Tight counterparty risk management

Procedures allow tight counterparty risk management. Controls on collateral and margining are overseen by an internal control team. All OTC instruments traded, mostly swaps and some structured products, are cash-collateralised and subject to daily margin calls. Contracts with financial intermediaries are all under ISDA agreements.

Control Framework



Source: La Française AM, Fitch

Investments

Investment Resources

Stable investment team organisation	<p>The three CIOs covering equity, fixed income and cross-asset investments report directly to La Française global AM's CEO. This flat, simple organisation provides a good level of autonomy and accountability to investment team heads and portfolio managers. It also emphasises the CEO's oversight role on portfolio management and reduced involvement in investment decision-making. This organisation has been in place since early 2014. Investment teams have been broadly stable since then, aside from a recent reshuffling of the 10-strong multi-asset team to address portfolio construction dysfunction and introduce more clear-cut responsibilities between diversified portfolios and total return strategies.</p> <p>The equity team of eight portfolio managers/analysts draws on the expertise of an established research provider on strategic, environment, social and governance investment factors, IPCM for its "strategically aware investing" knowledge and data resources.</p> <p>The fixed-income team comprises 20 staff, managing government bonds, credit, emerging market and multi-strategy portfolios.</p> <p>In the absence of a trading desk, equity execution is carried out by two dedicated portfolio manager assistants, while fixed-income orders are carried out by the fund managers primarily through Tradeweb, Bloomberg and Tradebook (for futures).</p>
Good market access facilitated by partnership model	<p>Good access to market information and research underpin investment processes. This is facilitated by the partnerships or working relationships that have developed over the past few years in credit research and ESG analysis. Portfolio managers also use broker research. Macroeconomic input includes regular contributions from external advisers (COE Rexecode, a French macroeconomic research institution).</p>

La Française Global AM's Investment Capabilities

Expertise	Equity	Fixed Income	Cross-Asset	Alternative Multi-Management	Asia
Process	Strategically aware investing (Europe, emerging markets, global) Small caps	Government bonds Credit (IG and HY) Convertible bonds Emerging markets Multi-strategy	Balanced Flexible multi-asset Absolute return	Fund of hedge funds	Asian and Chinese equities
Asset Manager	La Française Inflection Point	La Française AM		Tages Capital	JK Capital Management

Source: La Française AM, Fitch

Investments (Cont.)

Investment Discipline

Committee-driven decision making supports information sharing	<p>La Française Global AM's mainly fundamental research-driven investment processes are implemented in a disciplined manner that emphasises committee-driven decision making. The sequence of investment committees (see diagram below) allows effective information sharing across investment teams, a notable factor for the cross-asset investment process. Committees inform the overall strategic positioning of portfolios and support the formulation of investment themes to drive bottom-up selection and portfolio construction.</p> <p>Small portfolio managers' teams are responsible for feeding committee discussions and implementing investment strategies.</p> <p>Investment mandates are, overall, well defined with investment objectives and benchmarks clearly stated.</p>
Well formalised investment processes; multi-asset portfolio construction revisited for greater discipline	<p>Newly introduced model portfolios, a portfolio construction committee and strengthened risk monitoring have enhanced the discipline of investment decision-making for multi-asset portfolios. The cross-asset investment process now has to stabilise and improve its drawdown management track record.</p> <p>The fixed-income investment process involves a multi-expert approach with identification of performance drivers (directional, inflation, credit and yield curve) and related portfolio managers' expertise. Input includes a balanced blend of top-down analysis of macroeconomic factors, monetary policies, valuation and flows, and bottom-up bond picking. Credit analysis largely draws on Spread Research independent analysis on high-yield and convertible bonds. A partnership with S&P Capital IQ was developed in 2012 for the launch of "risk-to-price" investment strategies.</p> <p>The process for managing emerging market fixed-income portfolios draws on a proprietary parametric country model, ranking emerging market countries on the basis of selected investment themes and cycles. The model coverage has gradually expanded and now spans about 40 countries. Portfolio management tools developed by the financial engineering team facilitate portfolio construction and monitoring with a strong risk management focus.</p> <p>The fundamental equity strategy integrates IPCM's strategically aware investing research and data with portfolio managers' more traditional financially driven input under a well-formalised framework. It benefits from streamlined tools and processes to integrate analytical and scoring input from IPCM. Portfolio managers build equally weighted portfolios with a robust discipline approach for portfolio rebalancing and buy and sell decisions. Portfolio modelling tools developed with financial engineering further support the process.</p>
Good monitoring of investment decisions	<p>Portfolios' performance and risk metrics are regularly reviewed during committees. Portfolio managers now benefit from Bloomberg PORT, to monitor key investment risk indicators, simulate portfolio construction, run what-if scenario analysis and stress testing. This is proving a great support tool for position sizing and risk monitoring of investment themes on the equity and multi-asset sides, and is planned for roll-out to fixed-income portfolios.</p> <p>The risk management team conducts in-depth performance and risk analysis as well as formal portfolio reviews. Performance is primarily analysed based on contribution as no full performance attribution is available.</p>

Main Investment Committees

Macro Committee Monthly	Objective: Define a common macro scenario serving as the basis for asset class committees Output: Macro and central banks forecast table, key macro themes
Asset Class Strategy Committee Monthly	Objective: Review market developments and driving themes; define a directional or relative view on identified investment themes Output: Investment themes identified (tactical or strategic)
Multi-Asset Strategy Committee Monthly	Objective: Review market and driving themes for each asset class; define a directional or relative view on investment themes Output: Investment themes identified (tactical or strategic)
Asset Class & Multi-Asset Investment Committee Weekly	Objective: Review market developments, update investment themes of strategy committee, adjust portfolio implementation Output: Market summary, investment convictions and positions
Global Strategy Committee Monthly	Objective: Share investment themes and positions across asset classes, mostly to the benefit of the multi-asset portfolios; define investment strategies and implementation Output: Summary of investment themes, related changes and relative ranking

Source: La Française AM, Fitch

Operations

Communication and Client Servicing

Comprehensive, highly informative reporting

La Française Global AM is highly transparent about its top-down strategies, via its public investment management letters, orientations and outlook publications, as well as reporting and investment committee output that are available to investors.

Standard client reports follow best practices in terms of delay and frequency, and are available in multiple languages. Fed by the Light Trade application, these reports provide comprehensive information, including detailed and relevant metrics (performance, aggregates, breakdowns, sensitivity indicators, allocation and performance attribution). Performance contributions, however, are not systematic for all asset classes. Advanced reporting functionalities have been developed to address Solvency II and AIFM reporting requirements.

The company does not produce performance data in a Global Investment Performance Standards (GIPS®) compliant format.

Operational Procedures

Stable and well-sized operations staff

The operation team has been stable and is well sized in light of volumes. Greater workflow automation and the implementation of a cross-border master/feeder structure for several funds have simplified operational processes and contained volume growth.

The strengthened middle-office team comprises 20 staff organised by investment strategies and includes staff dedicated to data administration and reconciliation with administrator and custodians.

High level of workflow automation

Investment operations are scalable, organised around a highly automated operational workflow, allowing the company to conduct operations on a large and growing number of transactions.

Order matching with brokers and counterparties is automatically handled via Omgeo for equity and fixed-income securities. The company uses FX All for foreign exchange matching and TriOptima now supports OTC derivatives reconciliations and post-trade workflows; it is being deployed for all counterparties.

Further system enhancements are in the pipeline to simplify collateral management and support interest rate and credit default swaps processing.

The interface with the main fund administrators and custodians is increasingly automated, including for subscriptions/redemptions. Reconciliations for cash and securities with the custodian are conducted on a daily basis, as well as collateral (cash) management with daily margin calls.

Light Trade provides a cash forecasting module. Cash is systematically placed within money market funds (not necessarily in-house funds). Corporate actions are centralised with the data management team, and proxy voting is undertaken at the front-office level by the portfolio management assistants.

Fund administration and custody are primarily delegated to BPSS. The calculation of portfolio valuation from BPSS, or other fund administrators, is controlled by fund managers via Light Trade using matched accounting positions and streamlined validation workflows.

Flexible and experienced in funds' launch and customisation

With half of the managed assets in the form of dedicated funds or mandates, La Française Global AM is well experienced in serving institutional clients and addressing specific requirements. A strong expertise has notably been developed to provide investment solutions addressing insurance companies' Solvency II specific requirements. Clear proven procedures exist for the launch and/or transfer of funds.

Mutual fund launch projects are reviewed during an operational committee and follow a clear process: prospectus drafting, regulatory approval and setting a launch date.

Dedicated funds or funds' transfer involves the legal team, who manage prospectus matters and the relationship with the regulator; while the middle office handles the setup with custodian(s) and other third parties.

Technology

IT Resources

Scalable in-house platform, hands-on IT team	<p>IT functions are housed at La Française group level, under the supervision of the COO who has been at the centre of all IT decisions since 2001. The IT team dedicated to La Française Global AM comprises 11 project managers.</p> <p>A development policy is in place and a robust project management methodology ensures discipline and efficiency. The company strives to use the most recent technology for database or programming language, with never more than one version gap with the latest one available.</p> <p>La Française Global AM's proprietary IT platform, Light Trade, is fully integrated and efficiently supports the company's activities. Light Trade entered operation in 2001 and is subject to regular adjustments to support business needs. It is increasingly complemented by third-party vendor solutions in certain domains, notably for CRM and portfolio monitoring. Major projects in progress include the redesign of the product reference database and stabilisation of modules supporting reporting, portfolio and risk management.</p> <p>This internal development model means the IT platform is well integrated and tailored to the company's needs. However, it requires tight project management and robust IT resources. It also has to keep pace with technology development needs, including due to regulatory requirements and affiliate needs, while containing associated costs.</p>
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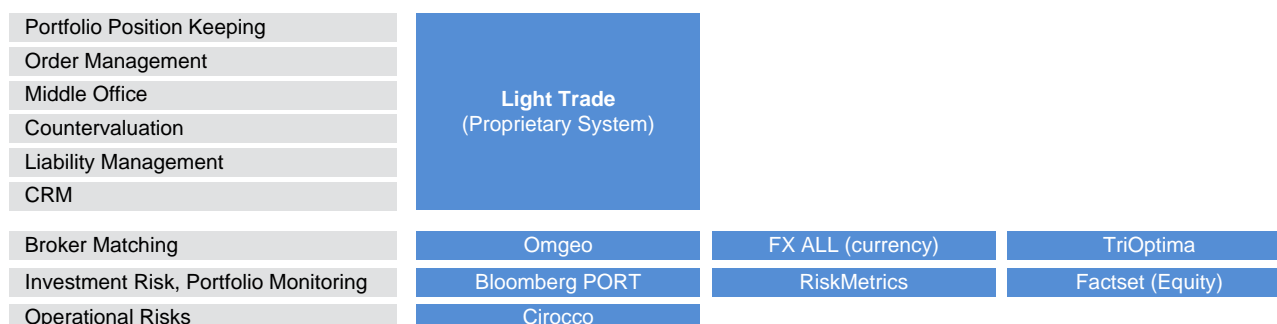
Systems

Efficient, highly integrated IT platform	<p>Light Trade contains all data (positions, indices, prices and net asset values) and offers pricing, order placement, position monitoring and net asset value calculation functionalities. The investment management team mainly uses Light Trade, Bloomberg PORT and proprietary front office applications and analytic modules developed by the financial engineering team. All analytical tools (reporting and risk) are interfaced with Light Trade. The number of external data sources is contained (Bloomberg, Monis for convertibles and market makers).</p> <p>Light Trade is integrated into the Omgeo and TriOptima. Interfaces with major administrators and custodians (BPSS and Caceis) have been strengthened, including for subscriptions and redemptions information flow. Best execution and trade management audit trail functionalities have been materially enhanced and developed reporting modules address AIFMD and Solvency II requirements.</p>
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IT Security

High IT security, with effective and tested BCP	<p>IT security is well addressed. The company's IT backup system is appropriately sized and the IT disaster backup plan and the comprehensive company business continuity plan (BCP) are fully operational, with regular BCP tests conducted on a large scale. Security tests are carried out each year with different service providers and access to systems and data are subject to stringent policies.</p>
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Simplified IT Architecture



Source: La Française AM, Fitch

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