

## LETTER TO UNITHOLDERS

Paris, 07/08/2018

### Re: La Française Rendement Global 2020

Dear Sir/Madam,

You are a unitholder in the La Française Rendement Global 2020 fund. We thank you for the trust you place in us.

#### 1. Operation

Below is a presentation of the merger by absorption operation of your La Française Rendement Global 2020 fund by the La Française Rendement Global 2025 fund.

La Française Asset Management wishes to offer you the opportunity to invest in a fund that is managed based on a similar strategy but over a longer term and with a more substantial investment universe.

The average maturity of new issues on the market is about 5 years, and refinancings of less than 5 years are almost non-existent. In addition, the management company considers that a traditional carry strategy is not in the interest of investors as a large part of the expected performance over the recommended investment period is already captured.

For example, the estimated return on the I unit at launch on 23 September 2013 was 5.81%, compared with an instantaneous return of only 2.19% on 25 May 2018. This represents a cumulative performance of I Units of + 25.73% over the same period, i.e. an actuarial yield of + 5.04%:

	LFRG 2020 (I units – created on 23/09/2013)	LFRG 2020 (D units – created on 25/09/2013)	LFRG 2020 (R units – created on 24/09/2013)	LFRG 2020 (E units – created on 30/10/2013)	LFRG 2020 (TC** units – created on 15/01/2018)	LFRG 2020 (TD** units – created on 15/01/2018)	OAT 2.50% October 2020	LFRG 2020 (F USD units – created on 20 /03/2014)
Estimated yield at launch on 23/09/2013	5.81%* (model portfolio)	5.41%* (model portfolio)	5.41%* (model portfolio)	5.21%* (model portfolio)	5.81%* (model portfolio)	5.81%* (model portfolio)	1.78%	6.36%* (model portfolio)
Instant return*** on 24/05/2018	2.19%*	1.79%*	1.79%*	1.59%*	2.19%*	2.19%*	-0.47%	2.74%*
Cumulative performance on 24/05/2018	25.73%	23.32%	23.29%	19.31%	-0.05%	-0.05%	13.73%	23.31%
Actuarial yield on 24/05/2018	5.04%	4.60%	4.59%	3.94%	-0.14%	-0.14%	2.80%	5.14%

\* net of current charges

\*\* \*\* units created in the context of the entry into force of MiFID2

\*\*\* This return is purely notional and does not include currency hedging costs for bonds denominated in foreign currency, or any portfolio defaults.

In addition, a decline in the primary market does not allow new arbitrage of the securities in the portfolio. On the other hand, the fund has experienced a significant number of callables, which should continue in the coming months. This

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context makes new acquisitions and / or reinvestments difficult. The fund will soon have a less diversified and therefore riskier portfolio and will see its residual return decrease.

Accordingly, La Française Asset Management has decided, in the interests of unitholders, to have La Française Rendement Global 2020 absorbed by La Française Rendement Global 2025 before its maturity in 2020, in order to take advantage of new market opportunities.

At the end of the merger, no further changes will be made.

This merger was approved by the AMF (French Financial Markets Authority) on 31/07/2018 and comes into effect on 01/10/2018 on the net asset values on 28/09/2018 calculated on 01/10/2018.

Subject to eligibility for the target share class, you have the opportunity to choose the unit of the acquiring fund - La Française Rendement Global 2025 - with which you would like the units you hold in the absorbed fund, La Française Rendement Global 2020, to be merged.

To do so, you should send a written instruction to La Française AM Finance Services (via your account holder) no later than 24/09/2018.

All units and their features may be consulted in the prospectus of the acquiring fund, La Française Rendement Global 2025, and at [www.la-francaise.com](http://www.la-francaise.com).

**In the absence of any response on your part before 24/09/2018, the merger will automatically take place by absorption under the conditions described below:**

Each unit of the absorbed fund will be absorbed by the corresponding eligible unit in the acquiring fund. Consequently, the R, I, D, E, TC EUR and TD EUR units of the La Française Rendement Global 2020 fund will be absorbed, respectively, by the R, I, D, R, TC and TD EUR units of the La Française Rendement Global 2025 fund.

For your information, the F unit of the absorbed fund, La Française Rendement Global 2020, has not been available for subscription since 23 May 2018 and will not participate in the merger.

To facilitate the merger, La Française Rendement Global 2020 fund subscriptions and redemptions will be suspended from 24/09/2018 (11:00 at La Française AM Finance Services).

You will be able to exercise your rights as a unitholder in the acquiring fund, La Française Rendement Global 2025, from 01/10/2018.

If this merger does not meet your expectations, you may redeem your securities at any time (no costs incurred); the absorbed and acquiring funds will not apply a redemption fee.

## **2. Changes brought about by the operation**

The main changes in your investment are described below as well as in the annex.

- Change to the risk/return profile: yes
- Increase in the risk/return profile: yes
- Increase in costs: yes

### **2.1 Risk profile**

This merger operation involves an increase in interest rate risk as well as emerging market investment risk (detail below).

- **Change of the management objective**

The objective of the acquiring fund, La Française Rendement Global 2025, is to outperform (net of fees) French government bonds issued in EUR maturing in 2025, instead of the 2020 maturity of the absorbed fund, Française Rendement Global 2020.

- **Removal of the benchmark index**

The acquiring fund, La Française Rendement Global 2025, has no benchmark index.

- **Amendment of the investment strategy**

- As with the La Française Rendement Global 2020 fund, the investment strategy of the La Française Rendement Global 2025 fund is to manage, on a discretionary basis, a portfolio of bonds issued by private or public entities, maturing before or at the same time as its own maturity which, in this case, is set at 31/12/2025.
- The sensitivity range of the absorbed fund is between 6 and 0, while that of the acquiring fund is between 8 and 0, which may lead to higher interest rate risks on European and international markets. For example, on 31 May 2018, the rate sensitivity of the absorbed fund was 1.45, while that of the acquiring fund was 4.00. As a reminder, this means decreasing sensitivity over time.
- The portfolio of the absorbed fund and the portfolio of the acquiring fund are invested up to 100% in bonds and other tradable debt securities with certain distinctive characteristics:
  - o The acquiring fund, La Française Rendement Global 2025, may invest up to a limit of 20% of net assets in unrated issues while the absorbed fund, La Française Rendement Global 2020, may invest up to a limit of 100% of net assets in unrated issues.
  - o In the acquiring fund, the emerging market investment risk is greater than that of the absorbed fund because the absorbed fund, La Française Rendement Global 2020, is invested up to 30% in securities issued by public and / or private entities in non-OECD countries (emerging markets), while the acquiring fund La Française Rendement Global 2025 is invested up to 100% in securities issued by public entities in non-OECD countries (emerging markets) and up to 50% in securities issued by private entities in non-OECD countries (emerging markets).
- The acquiring fund invests in securities denominated in EUR and / or USD and / or GBP and / or NOK and / or CHF while the absorbed fund invests in securities denominated in EUR and / or USD and / or GBP. In both funds, currency risk is routinely hedged. There may however be a residual exchange risk due to imperfect hedging.

## 2.2 Fees

The following table provides a summary of all fees.

	<b>La Française Rendement Global 2020</b>	<b>La Française Rendement Global 2025</b>
Sales charge (not paid to the Fund)	<b>E / I / D / R units:</b> 3% maximum <b>T D EUR / T C EUR units:</b> None	<b>D-B / I D EUR / D USD H / I C USD H / D / I C CHF H / R / I / R C USD H units:</b> 3% maximum <b>T D USD H / T D EUR / T C units:</b> None
Redemption fee not paid to the fund	None	None
Financial management fees	<b>R / D units:</b> 1.057% maximum rate (including tax) <b>E units:</b> 1.150 maximum rate (including tax) <b>I / T C EUR / T D EUR units:</b> 0.550% maximum rate (including tax)	<b>R / R C USD H / D / D USD H units:</b> 1.09% maximum rate (including tax) <b>D-B units:</b> 1.05% maximum rate (including tax) <b>I C CHF H / I D EUR / I / I C USD H units:</b> 0.49% maximum rate (including tax) <b>T units:</b> 0.49% maximum rate (including tax)
Administrative fees not paid to the Management Company	<b>R / D units:</b> 0.143% maximum rate (including tax)	<b>R / R C USD H / I / I C USD H / D / D USD H units:</b> 0.16% maximum rate (including tax)

	<b>E / I / T C EUR / T D EUR units:</b> 0.050% maximum rate (including tax)	<b>D-B / I D EUR units:</b> 0.20% maximum rate (including tax) <b>I C CHF H units:</b> 0.29% maximum rate (including tax) <b>T units:</b> 0.16% maximum rate (including tax)
Maximum indirect costs (commission and management fees)	Insignificant	None
Total management fees	<b>R units:</b> 1.20% <b>I units:</b> 0.60% <b>D units:</b> 1.20% <b>T D EUR units:</b> 0.60% <b>T C EUR units:</b> 0.60% <b>E units:</b> 1.20%	<b>R units:</b> 1.25% <b>I units:</b> 0.65% <b>D units:</b> 1.25% <b>T D EUR units:</b> 0.65% <b>T C units:</b> 0.65% <b>T D USD H units:</b> 0.65% <b>D-B units:</b> 1.25% <b>I D EUR units:</b> 0.69% <b>D USD H units:</b> 1.25% <b>I C USD H units:</b> 0.65% <b>I C CHF H units:</b> 0.78% <b>R C USD H units:</b> 1.25%
Current charges levied during the past year (31/12/2017)	<b>R units:</b> 1.10% <b>I units:</b> 0.70% <b>D units:</b> 1.10% <b>T D EUR units:</b> N/A <b>T C EUR units:</b> N/A <b>E units:</b> 1.30%	<b>R units:</b> N/A <b>I units:</b> N/A <b>D units:</b> N/A <b>T D EUR units:</b> N/A <b>T C units:</b> N/A <b>T D USD H units:</b> N/A <b>D-B units:</b> N/A <b>I D EUR units:</b> N/A <b>D USD H units:</b> N/A <b>I C USD H units:</b> N/A <b>I C CHF H units:</b> N/A <b>R C USD H units:</b> N/A
Estimated current charges (current year)	<b>R units:</b> N/A <b>I units:</b> N/A <b>D units:</b> N/A <b>T D EUR units:</b> 0.70% <b>T C EUR units:</b> 0.70% <b>E units:</b> N/A	<b>R units:</b> 1.33% <b>I units:</b> 0.73% <b>D units:</b> 1.33% <b>T D EUR units:</b> 0.73% <b>T C units:</b> 0.73% <b>T D USD H units:</b> 0.73% <b>D-B units:</b> 1.33% <b>I D EUR units:</b> 0.77% <b>D USD H units:</b> 1.33% <b>I C USD H units:</b> 0.73% <b>I C CHF H units:</b> 0.86% <b>R C USD H units:</b> 1.33%
Outperformance fee	None	None

The annex provides: a detailed table comparing the situation before and after the changes, an exchange ratio calculation for the units involved in the merger and information about taxes applicable to the merger operation.

You are reminded that you should read the Key Investor Information Document (KIID).

Due to the change in risk profile and the increased fees, the following options are available:

- If the change suits you: no action is required on your part,
- If the change does not suit you: you can exit free of charge, as the Fund does not apply a redemption fee.

- If you have no opinion on the operation: please contact your advisor or distributor.

The KIIDs and the prospectus of your fund, La Française Rendement Global 2020, as well as the KIIDs and the prospectus of the acquiring fund, La Française Rendement Global 2025, are available online at: [www.la-francaise.com](http://www.la-francaise.com) or from: LA FRANCAISE ASSET MANAGEMENT – Département Marketing -128 boulevard Raspail – 75006 PARIS – or by email: [contact-valeursmobilières@la-francaise.com](mailto:contact-valeursmobilières@la-francaise.com)

Yours faithfully,

**Patrick RIVIERE**  
President  
La Française Asset Management

## ANNEXES

The table below summarises the main characteristics before and after the absorption merger

	<b>La Française Rendement Global 2020 Before the absorption merger</b>	<b>After the absorption merger La Française Rendement Global 2025</b>
<b>ISIN code</b>	R units: FR0011532704 I units: FR0011532720 D units: FR0011532712 T D EUR units: FR0013287331 T C EUR units: FR0013286978 E units: FR0011532738	R units: FR0013258647 I units: FR0013258654 D units: FR0013272739 T D EUR units: FR0013277373 T C units: FR0013277381 T D USD H units: FR0013288982 D-B units: FR0013279395 I D EUR units: FR0013298957 D USD H units: FR0013272747 I C USD H units: FR0013289501 I C CHF H units: FR0013284569 R C USD H units: FR0013290996
<b>Classification</b>	Bonds and other international debt securities	Bonds and other international debt securities
<b>Benchmark index</b>	- EUR units: OAT 2.50% October 2020 [FR0010949651]	The Fund is not linked to a benchmark index.
<b>Management objective</b>	Over the recommended investment period of 7 years from the launch date of the Fund until 31 December 2020, the management objective of the fund is to outperform (net of fees) bonds issued by the French Government, denominated in euros and maturing in 2020.  The profitability of the Fund comes from the value of the accrued coupons of the bonds in the portfolio and the variations in capital due to the fluctuation in interest rates.	The objective of the Fund is to outperform (net of fees) bonds issued by the French Government, denominated in euros and maturing in 2025, over the recommended investment period of 8 years from the launch date of the Fund until 31 December 2025.  The potential profitability of the Fund comes from the value of the accrued coupons of the bonds in the portfolio and the variations in capital due to the fluctuation in interest rates and credit spreads.
<b>Investment strategy</b>	The investment strategy involves the discretionary management of a portfolio of bonds issued by private or public bodies, maturing on or before 31 December 2020.  The portfolio of the absorbed fund and of the acquiring fund is invested up to 100% in bonds and other tradable debt securities with the following	The investment strategy involves the discretionary management of a portfolio of bonds issued by private or public bodies, maturing on or before 31 December 2025.  The portfolio of the absorbed fund and of the receiving fund is invested up to 100% in bonds and other tradable debt securities with the following characteristics:

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	<p>characteristics:</p> <ul style="list-style-type: none"> <li>- issued by public- or private-sector bodies,</li> <li>- Investment grade: rating higher or equal to BBB- (Standard &amp; Poor's) or Baa3 (Moody's) or equivalent depending on the analysis of the Management Company [0-100%], High Yield (speculative): rating lower than BBB- or Baa3 or equivalent depending on the analysis of the Management Company [0-100%], no rating [0-100%].</li> <li>- all economic sectors,</li> <li>- OECD countries (all zones): [0-100%], non-OECD countries (emerging markets) [0-30%]</li> </ul> <p>The mutual fund may also invest up to a limit of 10% in the units or shares of the UCITS under French or foreign law and/or in UCIs meeting the four criteria of Article R214-13 of the French Monetary and Financial Code.</p> <p>On an exceptional and temporary basis, and in the event of a significant number of redemption requests, the manager may borrow cash up to a limit of 10% of its net assets.</p> <p>The mutual fund will preferably use derivative instruments on organised futures markets; it reserves the right to enter into OTC contracts where these are better suited to the management objective or offer lower trading costs.</p> <p>The Fund reserves the right to trade on all European and international futures markets.</p>	<ul style="list-style-type: none"> <li>- issued by public- or private-sector bodies,</li> <li>- Investment grade: rating higher or equal to BBB- (Standard &amp; Poor's) or Baa3 (Moody's) or equivalent depending on the analysis of the Management Company [0-100%], High Yield (speculative): rating lower than BBB- or Baa3 or equivalent depending on the analysis of the Management Company [0-100%], no rating [0-20%].</li> <li>- all economic sectors,</li> <li>- OECD countries (all zones): 0 - 100%; Public issuers, excluding OECD countries (emerging markets): 0-100% - public issuers, excluding OECD countries (emerging markets) 0-50%</li> </ul> <p>Up to 10% of the mutual fund may be invested in units or equities of UCITS established under French or European law in accordance with Directive 2009/65/EC.</p> <p>On an exceptional and temporary basis in the event of a significant number of redemption requests, the manager may borrow cash up to a limit of 10% of its net assets.</p> <p>The mutual fund will preferably use derivative instruments on organised futures markets but reserves the right to enter into OTC contracts where these contracts are better suited to the management objective or offer lower trading costs. The Fund reserves the right to trade on all European and international futures markets.</p>
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<b>Financial futures (hedging and/or exposure)</b>	Simple or complex forward financial instruments traded on regulated or OTC markets may be used to hedge and / or expose the portfolio: futures, forwards, options, interest rate swaps, foreign exchange swaps, forward exchange, Credit Default Swap (CDS on Indices or CDS on single underlying asset), Non Deliverable Forward. The fund may use Total Return Swaps (TRS) and temporary acquisitions and sales of securities.	Financial futures, traded on regulated or over-the-counter markets, are used to hedge and/or expose the portfolio to interest rate and/or credit futures markets, and with the aim of solely hedging on future exchange markets: futures, forwards, options, interest rate swaps, foreign exchange swaps, forward exchange transactions, Credit Default Swaps (CDS on single underlying asset, CDS on index), Non Deliverable Forwards. The Fund may use Total Return Swaps (TRS).
<b>Geographical zone</b>	OECD countries (all zones): 0 – 100% / non-OECD countries (emerging markets): 0–30%	Public and private issuers from OECD countries (all zones): 0 - 100% / Public issuers, non-OECD countries (emerging markets): 0 - 100% / Public issuers, non-OECD countries (emerging markets): 0-50%
<b>Recommended investment period</b>	7 years	8 years
<b>Risk profile</b>	<ul style="list-style-type: none"> <li>Risk of capital loss</li> <li>Discretionary risk</li> <li>Interest rate risk</li> <li>Credit risk relating to issuers of debt securities</li> <li>Default risk relating to issuers of debt securities</li> <li>Credit risk associated with high-yield securities</li> <li>Risk relating to investing in non-OECD countries (emerging markets)</li> <li>Risk arising from techniques such as derivatives</li> <li>Counterparty risk</li> <li>Risk associated with holding convertible bonds</li> <li>Exchange rate risk</li> <li>Potential risk of a conflict of interests</li> </ul>	<ul style="list-style-type: none"> <li>Risk of capital loss</li> <li>Discretionary risk</li> <li>Interest rate risk</li> <li>Credit risk relating to issuers of debt securities</li> <li>Default risk relating to issuers of debt securities</li> <li>Credit risk associated with high-yield securities</li> <li>Risk arising from investments in emerging markets</li> <li>Risk arising from techniques such as derivatives</li> <li>Risk associated with holding convertible bonds</li> <li>Subordinated debt risk</li> <li>Exchange rate risk</li> <li>Potential risk of a conflict of interests</li> <li>Legal risk</li> </ul>

## 1. Parity of the merger

The exchange parity will be determined on 01/10/2018, based on net asset values on 28/09/2018. In exchange for your units in the La Rendement Global 2020 fund, you will receive a number of units in the La Française Rendement Global 2025 fund and, if applicable, a residual cash payment.

For information, if the merger had taken place on the basis of the net asset value at 15/06/2018:

### **One R unit in La Française Rendement Global 2020 for one R unit in La Française Rendement Global 2025:**

NAV of € 123.00 for 1 R unit in La Française Rendement Global 2020

NAV of € 100.40 for 1 R unit in La Française Rendement Global 2025

The exchange ratio would be as follows (ratio between the NAV of the absorbed Fund and the NAV of the acquiring fund):

1 R unit in La Française Rendement Global 2020 for 1.225 R unit in La Française Rendement Global 2025 with a cash payment of € 0.01.

### **One I unit in La Française Rendement Global 2020 for one I unit in La Française Rendement Global 2025:**

NAV of € 1254.73 for 1 I unit in La Française Rendement Global 2020

NAV of € 1008.12 for 1 I unit in La Française Rendement Global 2025

The exchange ratio would be as follows (ratio between the NAV of the absorbed Fund and the NAV of the receiving fund):

1 I unit in La Française Rendement Global 2020 for 1.244 I unit of La Française Rendement Global 2025 with a cash payment of € 0.63.

### **One D unit in La Française Rendement Global 2020 for one D unit in La Française Rendement Global 2025:**

NAV of € 96.17 for 1 D unit in La Française Rendement Global 2020

NAV of € 100.40 for 1 D unit in La Française Rendement Global 2025

The exchange ratio would be as follows (ratio between the NAV of the absorbed Fund and the NAV of the receiving fund):

1 D unit in La Française Rendement Global 2020 for 0.957 D unit of La Française Rendement Global 2025 with a cash payment of € 0.09.

### **One E unit in La Française Rendement Global 2020 for one E unit in La Française Rendement Global 2025:**

NAV of € 1190.17 for 1 E unit in La Française Rendement Global 2020

NAV of € 100.40 for 1 R unit in La Française Rendement Global 2025

The exchange ratio would be as follows (ratio between the NAV of the absorbed Fund and the NAV of the acquiring fund):

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1 E unit in La Française Rendement Global 2020 for 11.854 R unit of La Française Rendement Global 2025 with a cash payment of € 0.03.

**One T C EUR unit in La Française Rendement Global 2020 for one T C EUR unit in La Française Rendement Global 2025:**

NAV of € 99.74 for 1 T C EUR unit in La Française Rendement Global 2020

NAV of € 100.64 for 1 T C unit in La Française Rendement Global 2025

The exchange ratio would be as follows (ratio between the NAV of the absorbed Fund and the NAV of the acquiring fund):

1 TC EUR unit in La Française Rendement Global 2020 for 0.991 TC EUR unit in La Française Rendement Global 2025 with a cash payment of € 0.06.

**One T D EUR unit in La Française Rendement Global 2020 for one T D EUR unit in La Française Rendement Global 2025:**

NAV of € 99.74 for 1 T D EUR unit in La Française Rendement Global 2020

NAV of € 99.08 for 1 T D EUR unit in La Française Rendement Global 2025

The exchange ratio would be as follows (ratio between the NAV of the absorbed Fund and the NAV of the acquiring fund):

1 T D EUR unit in La Française Rendement Global 2020 for 1.006 T D EUR unit of La Française Rendement Global 2025 with a cash payment of € 0.07.

Unitholders of La Française Rendement Global 2020 who are not entitled to an exact number of La Française Rendement Global 2025 units will receive a cash payment (the payment being the difference between the net asset value of the absorbed units and the calculation of parity with the net asset value of the receiving units). Unitholders shall have one month from the date of the merger either to request repayment of the balance in cash or to use the cash payment to purchase, at no charge, an additional number of La Française Rendement Global 2025 units, by disbursing the necessary additional amount, based on the net asset value of the corresponding units of the La Française Rendement Global 2025 fund on the date of said subscription.

The merger will take place at the NAV determined on 28/09/2018 for the merger on 01/10/2018.

## **2. Taxation**

The applicable tax arrangements are those in force on the date hereof.

Legal entities and natural persons who are La Française Rendement Global 2020 unitholders are subject to the following tax provisions (subject to change in the tax regulations):

Individual unitholders with tax domicile in France: tax deferral (Article 150-O B of the General Tax Code and instruction dated 03 July 2001 published in BOI 5 C-1-01), subject to the cash payment being less than 10% of the value of the securities received.

The result of the securities exchange (including cash payment) is not taken into account for the income tax assessment in respect of the year of the merger but for the income tax assessment of the year in which the Fund securities received in the exchange are sold.

When the Fund units received in exchange are sold or redeemed, the gain is calculated from the purchase price of the Fund units included in the exchange, if any, less the cash payment received or plus the cash payment made.

The gain is subject to income tax and social security payments on gains or losses on sales of securities and corporate rights.

In this context, under the current regulations on disposals/redemptions, as at 1 January 2018, regardless of the annual amount of disposals made by the tax household, capital gains will be subject to progressive tax rates in 2018, irrespective of the tax bracket.

— Corporate unitholders who pay corporation tax and are domiciled for tax purposes in France  
The tax deferral is applicable in accordance with Article 38-5 bis of the General Tax Code, subject to the cash payment not exceeding 10% of either the par value of the allocated securities or the amount of the realised gain.

In the event of tax deferral, the income from the exchange of the units is not included in the taxable income of the year of the merger, but in the income of the year of sale of the Fund units received in exchange. On the other hand, the fraction of the gain corresponding to the adjustment payment is immediately taxable.

However, pursuant to Article 209 OA of the General Tax Code, taxation of goodwill on Fund securities recorded since 1 July 1992 reduces the practical scope of the deferment insofar as goodwill already taxed includes all or part of the gain from the exchange resulting from the merger (this rule does not apply to insurance companies operating mainly in life or capitalisation insurance).

— Individual unit-holding companies: tax deferral or tax deferment

In principle, individual companies are treated as natural persons (tax deferral), unless the management expressly decides, on behalf of the company owner, to register the securities under his/her professional assets.

— Non-profit unitholders:

Not subject to tax as a result of this merger (Article 206-5 of the General Tax Code).

— Non-domiciled unitholders:

Not subject to any taxation in France as a result of this merger (Article 244 bis of the General Tax Code).