Lyxor Index Fund

Société d'Investissement à Capital Variable

MARCH 2017

This Prospectus is valid only if it is accompanied by the latest available annual report and, where applicable, by the non-audited semi-annual report, if published since the last annual report. These reports form an integral part of this Prospectus.

In addition to this Prospectus, the Company has also adopted a Key Investor Information Document ("KIID") per Sub-Fund or Class of Shares which contains the key information about each Class of Shares. Prospective investors should be provided with a KIID for each Class of Shares in which they wish to invest, prior to their first subscription, in compliance with applicable laws and regulations. The KIID is available free of charge at the Registered Office of the Company, the Management Company and of the Depositary and on www.lyxorfunds.com or www.lyxoretf.com.

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PART I

GENERAL INFORMATION RELATING TO THE COMPANY

IMPORTANT INFORMATION

Lyxor Index Fund Sicav (the **"Company"**) is an Investment Company with Variable Capital (*SICAV*) incorporated under Luxembourg Law and listed on the official list of Undertakings for Collective Investment, authorised under Part I of the Luxembourg Law of 17th December 2010 (the **"2010 Law"**) on Undertakings for Collective Investment in accordance with provisions of the Directive 2009/65/EC (the **"2009 Directive"**) of the European Parliament and the Council concerning the coordination of laws, regulations and administrative provisions relating to Undertakings for Collective Investment in Transferable Securities (**"UCITS"**).

However, this listing does not require an approval or disapproval of a Luxembourg authority as to the suitability or accuracy of this Prospectus or any KIID generally relating to the Company or specifically relating to any Sub-Fund or Class of Shares. Any declaration to the contrary should be considered as unauthorised and illegal.

The members of the board of directors of the Company (the **"Directors"** or together, the **"Board of Directors"**), whose names appear under the heading *Board of Directors* accept joint responsibility for the information and statements contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care possible to ensure that such is the case), the information and statements contained in this Prospectus are accurate at the date indicated on this Prospectus and does not contain any material omissions which would render any such statements or information inaccurate. Neither the delivery of this Prospectus or any KIID nor the offer, issue or sale of the Shares constitute a statement by which the information given by this Prospectus or any KIID will be at all times accurate, subsequently to the date thereof. Any information or representation not contained in this Prospectus, in the KIID(s), or in the financial reports which form integral part of this Prospectus, must be considered as non-authorised.

In order to take into account any material changes in the Company (including, but not limited to the issue of new Shares), this Prospectus will be updated when necessary. Therefore, prospective investors should inquire as to whether a new version of this Prospectus has been prepared.

For defined terms used in this Prospectus, if not defined herein, please refer to the *Glossary of Terms* in Appendix D.

INVESTOR RESPONSIBILITY

Prospective investors should review this Prospectus and each relevant KIID carefully in its entirety and consult with their legal, tax and financial advisors in relation to (i) the legal requirements within their own countries for the purchase, holding, redemption or disposal of Shares; (ii) any foreign exchange restrictions to which they are subject in their own countries in relation to the purchase, holding, redemption or disposal of Shares; and (iii) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, redeeming or disposing of Shares. Prospective investors should seek the advice of their legal, tax and financial advisors if they have any doubts regarding the contents of this Prospectus and each relevant KIID.

TARGETED INVESTORS

The Company targets both retail or natural person and institutional investors. The profile of the typical investor per each Sub-Fund is described in Part II – Sub-Funds Particularities.

HISTORICAL PERFORMANCES

The historical performances per each Class of Shares will be presented in the "*Past performance*" section of the relevant KIID if one complete calendar year of past performances is available after the launching of the concerned Class of Shares.

DISTRIBUTION AND SELLING RESTRICTIONS

At the date of this Prospectus, the Company has been authorised for offering in Luxembourg. The Company or specific Sub-Fund(s) may be also authorised for distribution in other jurisdictions. A list of the countries where part or all the Sub-Funds are authorized for distribution can be obtained from the registered office of the Company.

This Prospectus cannot be distributed for the purpose of offering or marketing the Shares in any jurisdiction or in any circumstances where such offering or marketing is not authorised.

No persons receiving a copy of this Prospectus in any jurisdiction may treat this Prospectus as constituting an invitation to them to subscribe for Shares unless in the relevant jurisdiction such an invitation could lawfully be made without compliance with any registration or other legal requirements.

The Shares have not been and will not be registered under the United States Securities Act of 1933 as amended (the "1933 Act") or the securities laws of any of the states of the United States. The Shares may not be offered, sold or delivered directly or indirectly in the United States of America, its

territories and possessions any state of the United States and the federal District of Columbia (the "United States") or to or for the account or benefit of any citizen or resident of the United States, any corporation, partnership or other entity created or organised in or under the laws of the United States, or any person falling within the definition of the term "US Person" under Regulation S, promulgated under the 1933 Act (each, a "US Person"). Any re-offer or resale of any of the Shares in the United States or to US Persons may constitute a violation of US law and will not be recognized by the Depositary, the Registrar Agent and the Board of Directors of the Company. Each applicant for Shares will be required to certify whether it is a "US Person".

The Shares are being offered outside the United States in reliance on an exemption from registration under Regulation S under the 1933 Act and if offered in the United States will be offered to a limited number of "accredited investors" (as defined in Rule 501(a) of Regulation D under the 1933 Act) in reliance on the private placement exemption from the registration requirements of the 1933 Act provided by section 4 (a) (2) of the 1933 Act and Regulation D hereunder.

The Company will not be registered under the United States Investment Company Act of 1940, as amended (the "Investment Company Act"). Based on interpretations of the Investment Company Act by the staff of the United States Securities and Exchange Commission (the "SEC") relating to foreign investment companies, if the Company has more than one hundred beneficial owners of its securities who are US Persons, it may become subject to the registration requirements under the Investment Company Act. The Directors will not knowingly permit the number of holders of Shares who are US Persons to exceed ninety (or such lesser number as the Directors may determine). To ensure this limit is maintained the Directors may decline to register a transfer of Shares to or for the account of any US Person and may require the mandatory repurchase of Shares beneficially owned by US Persons. The Company retains the right to offer only one Class of Shares for subscription in any particular jurisdiction in order to conform to local law, custom, business practice or the Company's commercial objectives.

GENERAL EXPLANATION OF US FOREIGN ACCOUNT TAX COMPLIANCE REQUIREMENTS (FATCA) AND POWER TO REQUEST INFORMATION

The Company may be subject to regulations imposed by foreign regulators, in particular, the Hiring Incentives to Restore Employment Act (the "Hire Act") which was signed into U.S. law in March 2010. It includes provisions generally known as the Foreign Account Tax Compliance Act ("FATCA"). FATCA provisions generally impose a reporting to the Internal Revenue Service ("IRS") of non-U.S. financial institutions that do not comply with FATCA and U.S. persons' direct and indirect ownership of non-U.S. accounts and non-U.S. entities. Failure to provide the requested information will lead to a 30% withholding tax applying to certain U.S. source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce U.S. source interest or dividends.

Under the terms of FATCA, the Company will be treated as a Foreign Financial Institution (within the meaning of FATCA - "FFI"). As such the Company may require all Shareholders to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned regulations.

Despite anything else herein contained and as far as permitted by Luxembourg law, the Company shall have the right to:

- withhold any taxes or similar charges that it is legally required to withhold, whether by law or otherwise, in respect of any shareholding in the Company;
- require any Shareholder or beneficial owner of the Shares to promptly furnish such personal data as may be required by the Company in its discretion in order to comply with any law and/or to promptly determine the amount of withholding to be retained;
- divulge any such personal information to any tax or regulatory authority, as may be required by law or such authority,
- withhold the payment of any dividend or redemption proceeds to a Shareholder until the Company holds sufficient information to enable it to determine the correct amount to be withheld.

All prospective investors and Shareholders should consult with their own tax advisors regarding the possible implications of FATCA on their investment in the Company.

RELIANCE ON THIS PROSPECTUS AND ON THE KIID(S)

Shares in any Sub-Fund described in this Prospectus as well as in the relevant KIID are offered only on the basis of the information contained therein and (if applicable) any addendum hereto and the latest audited annual report and any subsequent semi-annual report of the Company.

Any further information or representations given or made by any distributor, Intermediary, dealer, broker or other person should be disregarded and, accordingly, should not be relied upon. No person has been authorised to give any information or to

make any representation in connection with the offering of Shares other than those contained in this Prospectus and (if applicable) any addendum hereto and in any subsequent semi-annual or annual report for the Company and, if given or made, such information or representations must not be relied on as having been authorised by the Directors, the Management Company, the Depositary or the Administrative Agent. Statements in this Prospectus are based on the law and practice currently in force in Luxembourg at the date hereof and are subject to change. Neither the delivery of this Prospectus or of the KIID nor the issue of Shares shall, under any circumstances, create any implication or constitute any representation that the affairs of the Company have not changed since the date hereof.

Prospective investors may obtain, free of charge, on request, a copy of this Prospectus, the KIID, the annual and semi-annual financial reports of the Company and the Articles of Incorporation at the registered office of the Company, the Management Company or the Depositary. Prospective investors should be provided with a KIID for each Class of Shares in which they wish to invest, prior to their first subscription, in compliance with applicable laws and regulations. The KIIID is available at the registered office of the Company, the Management Company or the Depositary and on www.lyxorfunds.com or www.lyxoretf.com.

INVESTMENT RISKS

Investment in any Sub-Fund carries with it a degree of financial risk, which may vary among Sub-Funds. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested. Investment risk factors for an investor to consider are set out under Appendix C entitled *Special Risk Considerations and Risk Factors*.

The Company does not represent an obligation of, nor is it guaranteed by, the Management Company or any other affiliate or subsidiary of Société Générale.

MARKET TIMING POLICY

The Company does not knowingly allow investments which are associated with market timing practices; as such practices may adversely affect the interests of all Shareholders.

As per the CSSF Circular 04/146, market timing is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts units or shares of the same UCI within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the Net Asset Value (as defined below in the chapter "*Introduction*") of the UCI.

Opportunities may arise for the market timer either if the Net Asset Value (as defined on hereafter) of the UCI is calculated on the basis of market prices which are no longer up to date (stale prices) or if the UCI is already calculating the Net Asset Value when it is still possible to issue orders.
Market timing practices are not acceptable as they may affect the performance of the UCI through an increase of the costs and/or entail a dilution of the profit.

Accordingly, the Directors may, whenever they deem it appropriate and at their sole discretion, cause the Registrar Agent and the Administrative Agent, respectively, to implement any of the following measures:

- Cause the Registrar Agent to reject any application for conversion and/or subscription of Shares from investors whom the former considers market timers.

- The Registrar Agent may combine Shares which are under common ownership or control for the purposes of ascertaining whether an individual or a group of individuals can be deemed to be involved in market timing practices.

- If a Sub-Fund is primarily invested in markets which are closed for business at the time the Sub-Fund is valued, during periods of market volatility cause the Administrative Agent to allow for the Net Asset Value per Share to be adjusted to reflect more accurately the fair value of the Sub-Fund's investments at the point of valuation.

DATA PROTECTION

Certain personal data of investors (including, but not limited to, holding in the Company) may be collected, recorded, stored, adapted, transferred or otherwise processed and used by the Company, the Registrar Agent, the Management Company and other companies of Société Générale Group and the financial Intermediaries of such investors. In particular, such data may be processed for the purposes of account and distribution fee administration, anti-money laundering identification, tax identification under the European Union Tax Savings Directive 2003/48/EC and to provide client-related services. Such information shall not be passed on any unauthorised third persons.

By subscribing to the Shares, each Shareholder consents to such processing of its personal data. This consent is formalized in writing in the subscription form used by the relevant Intermediary.

INVESTOR RIGHTS

The Management Company draws the Shareholders' attention to the fact that any Shareholder will only be able to fully exercise his investor rights directly against the Company, notably the right to participate in general shareholders' meetings if the investor is registered himself and in his own name in the shareholders' register of the Company. In cases where a Shareholder invests in the Company through an intermediary investing into the Company in its own name but on behalf of the Shareholder, it may not always be possible for the Shareholder to exercise certain shareholder rights directly against the Company. Shareholders are advised to take advice on their rights.

FUND ORGANISATION

Lyxor Index Fund
Investment Company with Variable Capital
28-32 Place de la Gare
L-1616 Luxembourg

BOARD OF DIRECTORS OF THE COMPANY

Chairman :

Frederic GENET
Managing Partner
FRG consulting
22, Montée de la Pétrusse
L-2327 Luxembourg, Grand Duchy of Luxembourg

Arnaud LLINAS
Lyxor International Asset Management
17, cours Valmy
F-92800 Puteaux, France

Claudio BACCELI
Société Générale Bank & Trust S.A.
11-15, avenue Emile Reuter
L-2420 Luxembourg

François MILLET
Lyxor International Asset Management
Tour Société Générale
17, cours Valmy
F-92800 Puteaux, France

MANAGEMENT COMPANY

Lyxor International Asset Management S.A.S.
(“**Lyxor International AM**”)
Tour Société Générale,
17 cours Valmy
92800 Puteaux, France

Chief Executive Officer of the Management Company:

Lionel PAQUIN
Lyxor International Asset Management S.A.S.
17, cours Valmy
92800 Puteaux, France

Members of the Supervisory Board of the Management Company:

Christophe MIANNÉ
Head of the Finance and Investment Banking

Marc DUVAL
Deputy Head of Sogécap

Olivier LECLER
Deputy Head of Société Générale Private Banking (Suisse)

Christian SCHRICKE
Independent Administrator

Pierre SERVAN-SCHREIBER
Independent Administrator

LYXOR ASSET MANAGEMENT
Represented by Mr Christophe Leblanc
Chief Operating Officer

DEPOSITARY AND PAYING AGENT

Société Générale Bank & Trust
11, Avenue Emile Reuter
L-2420 Luxembourg

ADMINISTRATIVE, CORPORATE AND DOMICILIARY AGENT

Société Générale Bank & Trust
Operational center:
28-32 Place de la Gare
L-1616 Luxembourg

REGISTRAR AGENT

Société Générale Bank & Trust
Operational center:
28-32 Place de la Gare
L-1616 Luxembourg

AUDITORS OF THE COMPANY

Deloitte Audit
560, rue de Neudorf
L-2220 Luxembourg

LEGAL ADVISOR

Arendt & Medernach S.A.
41A, avenue JF Kennedy
L-2082 Luxembourg

LIST OF SUB-FUNDS

RANGE OF SUB-FUNDS AVAILABLE AT THE DATE OF THE PROSPECTUS

CORE INDICES

Lyxor Index Fund – Lyxor Stoxx Europe 600 (DR)

Lyxor Index Fund – Lyxor EURO STOXX 300 (DR)

Lyxor Index Fund – Lyxor EURO STOXX 50 (DR)

Lyxor Index Fund – Lyxor USD Liquid Investment Grade Corporate Bonds UCITS ETF

Lyxor Index Fund – Lyxor Australia Sovereign Bonds UCITS ETF (DR)

Lyxor Index Fund – Lyxor BofAML $ High Yield Bond UCITS ETF

Lyxor Index Fund – Lyxor $ Floating Rate Note UCITS ETF

RISK FACTOR STRATEGY

Lyxor Index Fund – Lyxor J.P. Morgan Europe Low Beta Factor Index UCITS ETF

Lyxor Index Fund – Lyxor J.P. Morgan Europe Low Size Factor Index UCITS ETF

Lyxor Index Fund – Lyxor J.P. Morgan Europe Momentum Factor Index UCITS ETF

Lyxor Index Fund – Lyxor J.P. Morgan Europe Value Factor Index UCITS ETF

Lyxor Index Fund – Lyxor J.P. Morgan Europe Quality Factor Index UCITS ETF

Lyxor Index Fund – Lyxor J.P. Morgan Multi-factor Europe Index UCITS ETF

Lyxor Index Fund – Lyxor J.P. Morgan Multi-factor World Index UCITS ETF

Lyxor Index Fund – Lyxor SG Global Value Beta UCITS ETF

EMERGING MARKET STRATEGIES

Lyxor Index Fund – Lyxor Emerging Markets Local Currency Bond (DR)

CASH STRATEGY

Lyxor Index Fund – Lyxor Smart Cash

WINTON GLOBAL STRATEGY

Lyxor Index Fund – Lyxor Winton Europe Equity UCITS ETF

Lyxor Index Fund – Lyxor Winton Global Equity UCITS ETF

Lyxor Index Fund – Lyxor Winton US Equity UCITS ETF

DIVERSIFIED STRATEGY SUB-FUND

Lyxor Index Fund - Lyxor Alpha Plus Fund

LEVERAGE AND INVERSE STRATEGIES

Lyxor Index Fund - Lyxor BTP Daily Short UCITS ETF

Lyxor Index Fund - Lyxor Bund Daily Short UCITS ETF

Lyxor Index Fund - Lyxor 10Y US Treasury Daily Short UCITS ETF

LONG/SHORT EQUITY STRATEGY

Lyxor Index Fund - Crystal Europe Equity

Furthermore in the case of Sub-Funds which are not opened, the Board of Directors is empowered to determine at any time the initial period of subscription and the initial subscription price.

I. INTRODUCTION

The Company is an **"umbrella fund"** meaning that the Company is divided into multiple Sub-Funds each representing a separate portfolio of assets and series of shares. At the date of the Prospectus the Company comprises several Sub-Funds as set forth under the heading *List of Sub-Funds*. Shares in any particular Sub-Fund can be further divided into different Classes to accommodate different subscription and redemption provisions and/or fees and charges to which they are subject, as well as their availability to certain types of investors. All references to a Sub-Fund, shall, where the context requires, include any Class of Shares that belongs to such Sub-Fund.

The Company has the possibility to create further Sub-Funds, thereby issuing new Classes. When such new Sub-Funds are created, this Prospectus will be amended accordingly, in order to provide all the necessary information on such new Sub-Funds. KIIDs relating to the new Sub-Funds or new Classes will also be issued accordingly.

The Shares are issued and redeemed at a price (the **"Net Asset Value per Share"** or **"Net Asset Value"** or **"NAV"**) determined on each Calculation Day.

If the Valuation Day of the Shares of any Sub-Fund does not fall on a Business Day, the Valuation Day for the Shares of such Sub-Fund shall be postponed to the first subsequent Business Day. Since the Sub-Funds are exposed to market fluctuations and the risks inherent to any investment, the value of the net assets (the **"Net Assets"**) of the Sub-Funds will vary in consequence.

The Net Asset Value of each Class of Share, calculated on each relevant Valuation Day, is expressed in the currency in which the assets of the relevant Sub-Fund are valued (in each case, the **"Reference Currency"**).

In each Sub-Fund, the Company may, but is not required to, issue one or more of the Classes of Shares set as follows and/or as defined in the relevant Apprendix:

Class **"R"** Shares: Class of Shares dedicated to all Investors and which may be expressed in different currencies; (RE expressed in EUR; RU expressed in USD, RG expressed in GBP; RJ expressed in JPY; RP expressed in PLN).

Class "A" Shares: Class of Shares dedicated to all Investors and which may be expressed in different currencies; (AE expressed in EUR; AU expressed in USD, AG expressed in GBP; AJ expressed in JPY; AP expressed in PLN; ASGD expressed in SGD)

Class **"UCITS ETF C"** Shares: Class of Shares dedicated to all Investors, capitalizing, listed at least on one stock exchange and which may be expressed in different currencies; (UCITS ETF C-EUR expressed in EUR; UCITS ETF C-USD expressed in USD; UCITS ETF C-GBP expressed in GBP).

Class **"UCITS ETF D"** Shares: Class of Shares dedicated to all Investors, distributing, listed at least on one stock exchange and which may be expressed in different currencies; (UCITS ETF D-EUR expressed in EUR; UCITS ETF D-USD expressed in USD).

Class **"D"** Shares: Class of Shares dedicated to **all Investors**, distributing, listed on a stock exchange and which may be expressed in different currencies; (D-EUR expressed in EUR; D-USD expressed in USD; D-GBP expressed in GBP; D-CHF expressed in CHF).

Class **"C"** Shares: Class of Shares dedicated to **all Investors**, capitalizing, listed on a stock exchange and which may be expressed in different currencies; (C-EUR expressed in EUR; C-USD expressed in USD; C-GBP expressed in GBP; C-CHF expressed in CHF).

Class **"Monthly Hedged D"** Shares: Class of Shares dedicated to **all Investors**, distributing, minimizing the impact of the evolution of Euro (EUR), US dollar (USD), Pound Sterling (GBP), Swiss Franc (CHF) against the currency of each component of the index, listed on a stock exchange and which may be expressed in different currencies; (Monthly Hedged D-EUR expressed in EUR; Monthly Hedged D-USD expressed in USD; Monthly Hedged D-GBP expressed in GBP; Monthly Hedged D-CHF expressed in CHF).

Class **"Monthly Hedged C"** Shares: Class of Shares dedicated to **all Investors**, capitalizing, minimizing the impact of the evolution of Euro (EUR), US dollar (USD), Pound Sterling (GBP), Swiss Franc (CHF) against the currency of each component of the index, listed on a stock exchange and which may be expressed in different currencies; (Monthly Hedged C-EUR expressed in EUR; Monthly Hedged C-USD expressed in USD; Monthly Hedged C-GBP expressed in GBP; Monthly Hedged C-CHF expressed in CHF)

Class **"UCITS ETF Daily Hedged D"** Shares: Class of Shares dedicated to **all Investors**, distributing, minimizing the impact of the

evolution of Euro (EUR), US dollar (USD), Pound Sterling (GBP), Swiss Franc (CHF) against the currency of each component of the index, listed on a stock exchange and which may be expressed in different currencies; (Daily Hedged D-EUR expressed in EUR; Daily Hedged D-USD expressed in USD; Daily Hedged D-GBP expressed in GBP; Daily Hedged D-CHF expressed in CHF).

Class **"UCITS ETF Daily Hedged C"** Shares: Class of Shares dedicated to **all Investors**, capitalizing, minimizing the impact of the evolution of Euro (EUR), US dollar (USD), Pound Sterling (GBP), Swiss Franc (CHF) against the currency of each component of the index, listed on a stock exchange and which may be expressed in different currencies; (Daily Hedged C-EUR expressed in EUR; Daily Hedged C-USD expressed in USD; Daily Hedged C-GBP expressed in GBP; Daily Hedged C-CHF expressed in CHF)

Class **"UCITS ETF Monthly Hedged D"** Shares: Class of Shares dedicated to **all Investors**, distributing, minimizing the impact of the evolution of Euro (EUR), US dollar (USD), Pound Sterling (GBP), Swiss Franc (CHF) against the currency of each component of the index, listed on a stock exchange and which may be expressed in different currencies; (Monthly Hedged D-EUR expressed in EUR; Monthly Hedged D-USD expressed in USD; Monthly Hedged D-GBP expressed in GBP; Monthly Hedged D-CHF expressed in CHF).

Class **"UCITS ETF Monthly Hedged C"** Shares: Class of Shares dedicated to **all Investors**, capitalizing, minimizing the impact of the evolution of Euro (EUR), US dollar (USD), Pound Sterling (GBP), Swiss Franc (CHF) against the currency of each component of the index, listed on a stock exchange and which may be expressed in different currencies; (Monthly Hedged C-EUR expressed in EUR; Monthly Hedged C-USD expressed in USD; Monthly Hedged C-GBP expressed in GBP; Monthly Hedged C-CHF expressed in CHF).

Class **"I"** Shares: Class of Shares dedicated to **Institutional** Investors within the meaning of the article 174 (2) c) of the 2010 Law and which may be expressed in different currencies; (IE expressed in EUR; IU expressed in USD, IG expressed in GBP; IJ expressed in JPY; IP expressed in PLN).

Class **"S"** Shares: Class of Shares dedicated to **Institutional** Investors within the meaning of article 174 (2) c) of the 2010 Law with significant initial subscription amount and which may be expressed in different currencies; (SE expressed in EUR; SU expressed in USD, SG expressed in GBP; SJ expressed in JPY; SP expressed in PLN).

Class **"O"** Shares: Class of Shares dedicated to Portfolio managers[1] or Legal Entities[2] selected by the SICAV and which may be expressed in different currencies; (OE expressed in EUR; OU expressed in USD, OG expressed in GBP; OJ expressed in JPY; OP expressed in PLN).

For further information on the Classes of Shares, investors should refer to the chapter entitled The Shares and the Appendix E entitled Summary Table of Shares issued by the Company detailing the available Classes for each Sub-Fund as well as their characteristics.

A Shareholder may be entitled, under certain conditions, to switch, free of charge, from one Sub-Fund to another or from one Class to another within the same Sub-Fund on any Valuation Day, by conversion of Shares of one Sub-Fund into the corresponding Shares of any Class of the other Sub-Fund. The conversion of Classes into other Classes is subject to certain restrictions, due to the specific features of the relevant Classes (please refer to the chapter entitled Conversion of Shares).

The Board of Directors may at any time decide to list the Shares on several stock exchanges pursuant to an application made by the Company.

A list of these stock exchanges can be obtained from the registered office of the Company.

The references to the terms and signs hereafter designate the following currencies:

USD	US Dollar
EUR	Euro
GBP	British Pound Sterling
PLN	Polish Zloty
JPY	Japanese Yen
CHF	Swiss Franc
SEK	Swedish Crown
NOK	Norwegian Crown
SGD	Singapore Dollar
AUD	Australian Dollar

[1]Who subscribe within the framework of discretionary mandate or dedicated fund.
[2] Who subscribe a minimum of EUR 5 000 000.

II. ADMINISTRATION AND MANAGEMENT OF THE COMPANY

A. THE COMPANY

1. Incorporation of the Company

The Company was incorporated on 16th June 2006 for an unlimited period as a *Société d'Investissement à Capital Variable* (*SICAV).* Its registered office is established in Luxembourg.

The capital of the Company is expressed in USD, represented by Shares with no mention of nominal value, paid in full at the time of their issue. The capital is at all times equal to the total of the Net Assets of all the Sub-Funds.

The Articles of Incorporation, as amended on January 28th, 2014, are deposited and available for inspection at the *Registre de commerce et des sociétés of Luxembourg*. The Company is registered with the Luxembourg Trade Register under number B -117500.

2. Allocation of Assets and Liabilities

Each Sub-Fund corresponds to a separate portfolio of assets. Each such portfolio of assets is allocated only to the Shares in issue and outstanding within each Sub-Fund. Each Sub-Fund, Class, if any, will bear its own liabilities.

The following provisions shall apply to each Sub-Fund established by the Directors:

(a) separate records and accounts shall be maintained for each Sub-Fund as the Board of Directors and the Depositary shall from time to time determine;

(b) the proceeds from the issue of Shares in each Sub-Fund shall be recorded in the accounts of the Sub-Fund and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Sub-Fund subject to the provisions of this Prospectus; and
(c) where any asset is derived from any other asset, such derivative asset shall be applied in the records and accounts of the Company to the same Sub-Fund as the asset from which it was derived and on each revaluation of an asset the increase or diminution in value shall be applied to the relevant Sub-Fund.

With regard to third parties, the Company shall constitute a single legal entity; however, by derogation from Article 2093 of the Luxembourg Civil Code, the assets of any particular Sub-Fund are only applicable to the debts, commitments and obligations of that Sub-Fund. The assets, commitments, charges and expenses which, due to their nature or as a result of a provision of this Prospectus, cannot be allocated to one specific Sub-Fund will be charged to the different Sub-Funds proportionally to their respective Net Asset Values and prorata temporis.

As between the Shareholders, each Sub-Fund shall be treated as a separate legal entity.

3. The Board of Directors

The Board of Directors is responsible for determining the Company's investment objectives and policies and overseeing the management and administration of the Company.

B. THE MANAGEMENT COMPANY

Since April 9, 2014, the Board of Directors has, pursuant to the 2010 Law designated under its responsibility and control, Lyxor International Asset Management S.A.S. to act as Management Company.

The Management Company was incorporated on June 6, 1998 for a period of ninety nine years (99). Its registered office is established in France.

The capital is 1 059 696 Euros (EUR). The articles of incorporation were published in Registre de Commerce et des Sociétés of Nanterre – France as of June 12, 1998 and is registered under reference 419 223 375.

The Management Company was licensed as a portfolio management company by the Autorité des Marchés Financiers in accordance with Directive n°85/611/EEC, amended by Directive 2001/107/EC and Directive 2001/108/EC as well as Directive 2009/65/EC. The Management Company is further acting as a management company for other funds.

The Management Company has been designated pursuant to a novation agreement between the Management Company and the Company to a main delegation agreement concluded between Lyxor Asset Management Luxembourg S.A. and the Company, as may be amended from time to time. This agreement is for an indefinite period of time and may be terminated by either party upon 120 days' notice.

The Management Company's main object is the management, the administration and the marketing of UCITS as well as UCIs.

The Management Company shall be in charge of the management and administration of the Company and the distribution of Shares in Luxembourg and abroad.

The Management Company has established a remuneration policy in compliance with the applicable regulations. Such policy complies with the economic strategy, the objectives, the values and the interests of the Management Company and the funds managed by it as well as with those of the investors in such funds, and it includes measures intended to avoid conflicts of interests.

The remuneration policy of the Management Company implements a balanced regime under which the remuneration of the relevant employees is notably based on the principles listed below:

- the remuneration policy of the Management Company shall be compatible with sound and efficient risk management, shall favour it and shall not encourage any risk-taking which would be incompatible with the risk profiles, this prospectus or the other constitutive documents of the funds managed by the Management Company;
- the remuneration policy has been adopted by the supervisory board of the Management Company, which shall adopt and review the general principles of the said policy at least once a year;
- the staff carrying out control functions shall be remunerated depending on the achievement of the objectives related to their functions, independently of the performance of the business areas which they control;
- when remuneration varies according to performance, its total amount shall be established by combining the valuation both in respect of the performances of the relevant person and operational units or the relevant funds and in respect of their risks with the valuation of the overall results of the Management Company when individual performances are valued, taking into account financial and non-financial criteria;
- an appropriate balance shall be established between the fixed and variable components of the overall remuneration;
- beyond a certain threshold, a substantial portion which in any event amounts to at least 50% of the whole variable component of the remuneration shall consist of exposure to an index the components and functioning rules of which allow for an alignment of the interests of the relevant staff with those of investors;
- beyond a certain threshold, a substantial portion which in any event amounts to at least 40% of the whole variable component of the remuneration shall be carried over during an appropriate period of time;
- the variable remuneration, including the portion which has been carried over, shall be paid or acquired only if it is compatible with the financial situation of the Management Company as a whole and if it is justified by the performances of the operational unit, of the funds and of the relevant person.

The details of the remuneration policy are available on the following website: http://www.lyxor.com/en/the-company/policies-tax/"

As of the date of this Prospectus, the Management Company has delegated certain functions to the entities described herebelow or in Part II – Sub-Funds Particularities.

C. DISTRIBUTORS AND OTHER INTERMEDIARIES

The Management Company may delegate under its responsibility and control, to one or several banks, financial institutions, distributors and Intermediaries to offer and sell the Shares to investors and to handle the subscription, redemption, conversion or transfer requests of Shareholders. Subject to the law of the countries where Shares are offered, such Intermediaries may, with the agreement of the Board of Directors act as nominees for the investor.

D. ADMINISTRATIVE, CORPORATE AND DOMICILIARY AGENT

Société Générale Bank & Trust has been appointed by the Management Company as administrative, corporate and domiciliary agent.

In such capacities, Société Générale Bank & Trust is responsible for the administrative functions required by Luxembourg law such as the calculation of the Net Asset Value, the proper book-keeping of the Company and all other administrative functions as required by the laws of the Grand Duchy of Luxembourg and as further described in the aforementioned agreement.

Société Générale Bank & Trust is a Luxembourg limited company (*société anonyme*), wholly owned by Société Générale.

It has its registered office in Luxembourg at 11, avenue Emile Reuter, L-2420 Luxembourg and its operational center at 28-32, Place de la gare, L-1616 Luxembourg. Its main activity consists in corporate and private banking and custody. As of July 1st, 2009, its fully paid-in capital was EUR 1,389,042,648.

E. REGISTRAR AGENT

Société Générale Bank & Trust has been appointed by the Management Company pursuant to an agreement concluded with the Company to act as Registrar Agent of the Company.
The Registrar Agent will be responsible for handling the processing of subscriptions for Shares, dealing with requests for redemptions and conversions and accepting transfers of funds, for the safekeeping of the shareholders Register of the *Company*, the delivery of Share Certificates, if requested, the safekeeping of all non-issued Share Certificates of the *Company*, for accepting Shares Certificates rendered for replacement, redemption or conversion and for providing and supervising the mailing of reports, notices and other documents to the shareholders, as further described in the above mentioned agreement.

F. DEPOSITARY AND PAYING AGENT

Société Générale Bank & Trust is the Company's depositary and paying agent (the "**Depositary"**).

The Depositary is a wholly-owned subsidiary of Société Générale, a Paris-based credit institution. The Depositary is a Luxembourg public limited company registered with the Luxembourg trade and companies register under number B 6061 and whose registered office is situated at 11, avenue Emile Reuter, L-2420 Luxembourg. Its operational center is located 28-32, place de la Gare, L-1616 Luxembourg. It is a credit institution in the meaning of the law of 5 April 1993 relating to the financial sector, as amended.
The Depositary will assume its functions and duties in accordance with articles 33 to 37 of the 2010 Law and the Commission Delegated Regulation (EU) 2016/438 of 17 December 2015 supplementing the UCITS Directive (the "EU Level 2 Regulation"). The relationship between the Company, the Management Company and the Depositary is subject to the terms of a depositary and paying agent agreement entered into for an unlimited period of time (the "**Depositary and Paying Agent Agreement**").

In accordance with the 2010 Law, and pursuant to the Depositary and Paying Agent Agreement, the Depositary carries out, *inter alia*, the safe-keeping of the assets of the Company as well as the monitoring of the cash flows and the monitoring and oversight of certain tasks of the Company.

In addition, Société Générale Bank & Trust will act as the Company's principal paying agent. In that capacity, Société Générale Bank & Trust will have as its principal function the operation of procedures in connection with the payment of distributions and, as the case may be, redemption proceeds on the Shares.

The Depositary may delegate Safe-keeping Services (as defined in the Depositary and Paying Agent Agreement) to Safe-keeping Delegates (as defined in the Depositary and Paying Agent Agreement) under the conditions stipulated in the Depositary and Paying Agent Agreement and in accordance with article 34*bis* of the 2010 Law and articles 13 to 17 of the EU Level 2 Regulation. A list of the Safe-keeping Delegates is available on http://www.securities-services.societegenerale.com/en/who-are/key-figures/financial-reports/. The Depositary is also authorized to delegate any other services under the Depositary and Paying Agent Agreement other than Oversight Services and Cash Monitoring Services (as defined in the Depositary and Paying Agent Agreement).

The Depositary is liable to the Company for the loss of Held In Custody Assets (as defined in the Depositary and Paying Agent Agreement and in accordance with article 18 of the EU Level 2 Regulation) by the Depositary or the Safe-keeping Delegate. In such case, the Depositary shall be liable to return a Held In Custody Assets of an identical type or the corresponding amount to the Company without undue delay, unless the Depositary can prove that the loss arose as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

In performing any of its other duties under the Depositary and Paying Agent Agreement, the Depositary shall act with all due skill, care and diligence that a leading professional custodian for hire engaged in like activities would observe. The Depositary is liable to the Company for any other losses (other than loss of Held In Custody Assets described above) as a result of negligence, bad faith, fraud, or intentional failure on the part of the Depositary (and each of its directors, officers, servants or employees). The liability of the Depositary as to Safe-keeping Services shall not be affected by any delegation as referred to in article 34bis of the 2010 Law or excluded or limited by agreement.

The Depositary and Paying Agent Agreement is entered into for an unlimited period. Each party to the Depositary and Paying Agent Agreement may terminate it upon a ninety (90) calendar days' prior written notice. In case of termination of the Depositary and Paying Agent Agreement, a new depositary shall be appointed. Until it is replaced, the resigning or, as the case may be, removed depositary shall continue only its custody duties (and no other duties), and to that extent shall take all necessary steps for the safeguard of the interests of the shareholders.
The Depositary is not responsible for any investment decisions of the Company or of one of its agents or the effect of such decisions on the performance of a relevant Sub-Fund.

The Depositary is not allowed to carry out activities with regard to the Company that may create conflicts of interest between the Company, the shareholders and the Depositary itself, unless the Depositary has properly identified any such potential conflicts of interest, has functionally and hierarchically separated the performance of its depositaries tasks from its other potentially conflicting tasks, and the potential conflicts of interest are properly identified, managed, monitored and disclosed to the shareholders.

In that respect, the Depositary has in place a policy for the prevention, detection and management of conflicts of interest resulting from the concentration of activities in Société Générale's group or from the delegation of safekeeping functions to other Société Générale entities or to an entity linked to the Management Company.

This conflict of interest management policy intends to:

- identify and analyse potential conflict of interest situations;
- record, manage and track conflict of interest situations by:
  - (i) implementing permanent measures to manage conflicts of interest including the separation of tasks, the separation of reporting and functional lines, the tracking of insider lists and dedicated IT environments;
  - (ii) implementing, on a case-by-case basis:
    - (a) appropriate preventive measures including the creation of an ad hoc tracking list and new chinese walls, and by verifying that transactions are processed appropriately and/or by informing the clients in question;
    - (b) or, by refusing to manage activities which may create potential conflicts of interest.

Thus, the Depositary in its capacity, in one hand, as depositary and paying agent and, on the other hand, as administrative, registrar and transfer, corporate and domiciliary agent of the Company has established a functional, hierarchical and contractual separation between the performance of its depositary functions and the performance of those tasks outsourced by the Company.

Regarding the delegation of the Depositary's safekeeping duties to a company linked to other Société Générale entities or to an entity linked to the Management Company, the policy implemented by the Depositary consists of a system which prevents conflicts of interest and enables the Depositary to exercise its activities in a way that ensures that the Depositary always acts in the best interests of the Company. The prevention measures consist, specifically, of ensuring the confidentiality of the information exchanged, the physical separation of the main activities which may create potential conflicts of interest, the identification and classification of remuneration and monetary and non-monetary benefits, and the implementation of systems and policies for gifts and events.

Further details are available on: https://www.sgbt.lu/fileadmin/user_upload/SGBT/PDF/Summary_of_the_conflicts_of_interest_management_policy.pdf

Up-to-date information regarding the above information will be made available to investors on request.

G. AUDITOR

Deloitte Audit, which registered office is 560, rue de Neudorf L-2220 Luxembourg has been appointed by the Company as its auditor.

III. INVESTMENT OBJECTIVES AND POLICIES

The Company has been established for the purpose of investing in transferable securities and Money market instruments as well as in other financial instruments in accordance with the 2009 Directive as implemented in Luxembourg under Part I of the 2010 Law (the "**Authorized Assets**").

The investment policy and objective of each Sub-Fund will be determined in each Sub-Fund Annex under Part II of the Prospectus.

A Sub-Fund may carry out its investment objective via an Indirect Replication (whether funded or unfunded as further described below), or via a Direct Replication as described in the following paragraphs:

- subject to the investment restrictions stated in Appendix A, a Sub-Fund using an Indirect Replication may not necessarily invest directly in a portion of Authorized Assets corresponding to its investment objective and policy as defined in each Sub-Fund Annex under Part II of the Prospectus. Indeed, the exposure to its investment objective by a Sub-Fund using an Indirect Replication will be achieved by way of derivatives transactions, based on the investment techniques described below:

for any considered Sub-Fund using an unfunded Indirect Replication methodology the following rules will apply:

In order to achieve its investment objective, the Sub-Fund will at any time (i) invest in a basket of Authorized Assets subject to the investment restrictions stated in Appendix A – INVESTMENT RESTRICTIONS below (the "**Investment Portfolio**") and (ii) use OTC swap transactions whose purpose is to reach its investment objective, exchanging the value of its Investment Portfolio against the value of a basket of Authorized Assets corresponding to its investment objectives. Such an OTC swap transaction is designated as the "Unfunded Swap".

For any considered Sub-Fund using a funded Indirect replication methodology the following rules will apply:

in order to achieve its investment objective, the Sub-Fund will at any time enter into one or several OTC swap transactions whose purpose is to reach its investment objective, exchanging the invested proceeds against the value of a basket of Authorized Assets corresponding to its investment objectives. Such an OTC swap transaction is designated as a "Funded Swap". A Sub-Fund investing in a Funded Swap is subject to dedicated collateral management process set forth in the present Prospectus.

A Sub-Fund with Indirect Replication may use both Funded Swap-based and Unfunded Swap-based techniques at the same time, without prejudice to the particular conditions set out in its considered Appendix annexed to the present Prospectus.

Provided that a Sub-Fund carry out its investment objective through an Unfunded Swap, the basket of securities held by such Sub-Fund in its investment portfolio will be selected on the basis of the following eligibility criteria, in particular:

when the Sub-Fund invests in equities:

- their inclusion in a major stock exchange index;
- liquidity (must exceed a minimum daily trading volume and market capitalization);
- credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating);
- diversification criteria, in particular regarding:
    - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to the 2010 Law);
    - the geography;
    - the sector.

When the Sub-Fund invests in bonds:

the considered Sub-Fund will invest mainly in bonds issued by a given OECD-member country or by a private-sector issuer, and denominated in one of the OECD country currencies.

These securities will be bonds selected on the basis of the following criteria:

- eligibility criteria and in particular:
    - senior debt;
    - fixed maturity;
    - maximum residual maturity;
    - minimum issuance volume;
    - minimum S&P or equivalent credit rating;

- diversification criteria, including:
    - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to the 2010 Law);
    - the geography;
    - the sector.

The basket of transferable securities held by the Sub-Fund may be adjusted daily such that its value will generally be at least 100% of the Sub-Fund's net assets. When necessary, this adjustment will be made to ensure that the

market value of the OTC swap contract mentioned above is less than or equal to zero, which will neutralize the counterparty risk arising from the OTC swap.

Investors may find more information on the above eligibility and diversification criteria, and in particular the list of eligible indices, on Lyxor's website at www.lyxoretf.com.

Information on the updated composition of the basket of assets held in the Sub-Fund and the counterparty risk resulting from the Swap is available on the page dedicated to the Sub-Fund on Lyxor's website at www.lyxoretf.com.

The frequency of any updates and/or the date on which the information above is updated is also set out on the same page of the above mentioned website.

The counterparty to the OTC swap is a first class financial institution that specialises in that type of transaction. Such counterparty will not assume any discretion over the composition of the Sub-Fund's portfolio or over the underlying of the financial derivatives instruments.

Unless otherwise mentioned in the Sub-Fund's appendix, the using of the Swap will not involve leverage.

The net asset value of the Sub-Fund will increase (or decrease) according to the valuation of the OTC swap.

Adjustments of the OTC swap contract's nominal in the event of eventual subscriptions and redemptions will be performed based on the "mark to market" valuation method.

The valuation of the OTC swap agreements will be provided by the counterparty but the Management Company will make its own independent valuation thereof.

The valuation of the OTC swap agreements will be checked by the auditor of the Company during their annual audit mission.

Despite all measures taken by the Company to reach its objectives, these measures are subject to independent risk factors, including but not limited to, changes in the fiscal or commercial regulations. No guarantee whatsoever may be offered to the investor in this regard.

A Sub-Fund using a Direct Replication methodology will carry out its investment objective by investing in Authorized Assets (subject to the investment restrictions stated in Appendix A – INVESTMENT RESTRICTIONS) corresponding to its investment objective and policy as defined, for each Sub-Fund, in the corresponding Sub-Fund Annex under Part II of the Prospectus.

Any Sub-Fund using a Direct Replication methodology and having for investment objective to replicate a financial index or a reference strategy, shall have an investment portfolio comprised with all (or, on an exceptional basis, a substantial number of) the constituents of the financial index or a reference strategy replicated as set out in its considered Annex.

In order to optimize such Direct Replication method and to reduce the costs of investing directly in all constituents of the financial index or a reference strategy, a Sub-Fund may decide to use a "sampling" technique that consists in investing in a selection of representative constituent of financial index or a reference strategy as set out in its considered Appendix annexed to the present Prospectus.

According to this sampling technique, a Sub-Fund may invest in a selection of transferable securities representative of the financial index or a reference strategy as set out in its considered Appendix annexed to the present Prospectus in proportions that do not reflect their weight within the financial index or a reference strategy as set out in its considered Appendix annexed to the present Prospectus, and as the case may be, invest in securities that are not constituents of the financial index or a reference strategy.

In addition, and to a limited extent, a Sub-Fund in Direct Replication may also engage in transactions as financial derivative instruments ("**FDI**") mainly for achieving the objectives under (i) and (ii) below, including futures transactions, OTC swaps, hedging swap, forward contracts, non-deliverable forwards, spot foreign exchange transactions, to:

i. reduce the level of tracking errors
   or
ii. optimise its cash management
   or
iii. reduce transaction costs or allowing exposure in the case of illiquid securities or securities which are unavailable for market or regulatory reasons
   or
iv. assist in achieving its investment objective and for reasons such as generating efficiencies in gaining exposure to the constituents of the financial index or a

reference strategy or to the financial index or a reference strategy itself
or

v. for such other reasons as the Directors deem of benefit to the Sub-Fund.

In circumstances where a Sub-Fund would contract a FDI, the counterparty to that specific FDI would be a first class financial institution that specialises in that type of transaction. Such counterparty will not assume any discretion over the composition of the Sub-Fund's portfolio or over the underlying of the financial derivatives instruments.

To ensure transparency on the use of the Direct Replication method (i.e. either full replication of the financial index or a reference strategy or sampling to limit replication costs) and on its consequences in terms of the assets in the Sub-Fund's portfolio, information on the updated composition of the basket of assets held by the Sub-Fund is available on the page dedicated to the Sub-Fund accessible on Lyxor's website at www.lyxoretf.com, except otherwise mentioned in the Sub-Fund's Appendix. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In addition, the Sub-Funds (whether using Direct Replication or Indirect Replication techniques) may employ, for the purpose of efficient portfolio management and the purpose of providing protection against market and exchange risks, the investment techniques and instruments described under the Appendix B entitled *Investment Techniques*.

The investment objective and policy of each Sub-Fund have been defined by the Board of Directors and are set out below. In the event the Board of Directors decides to make a material change to the investment objective and policy of a Sub-Fund, prior notice will be given to the relevant Shareholders who, if they so wish, will be able to apply for the redemption of their Shares in that Sub-Fund free of charge during a period of one month.

The investment objective and policy of certain Sub-Funds, as described below, may refer to investments in various geographical areas, countries, economic sectors and/or categories of issuers of securities, but market or other conditions may make it, from time to time, inappropriate for a Sub-Fund to invest in all the geographical areas, countries, economic sectors and/or categories of issuers referred to in its investment policy.

There can be no assurance that the Sub-Funds will be successful in producing the desired results of their investment objective and policy.

Further, and except as specifically provided otherwise, each of the Sub-Funds described herein reserves the possibility to invest in instruments denominated in currencies other than its Reference Currency, it being specified that the exchange risk may be hedged, by using the available techniques and instruments (please refer to the Appendix B entitled *Investment Techniques*).

In accordance with the Investment Restrictions *(*please refer to the Appendix A entitled *Investment Restrictions)*, the Sub-Funds may employ techniques and instruments relating to transferable securities for the purpose of efficient portfolio management. The Sub-Funds may also employ techniques and instruments intended to provide protection against foreign exchange risks in the context of the management of the assets and liabilities of the Sub-Funds and may also employ techniques and instruments on currencies for purposes other than hedging (please refer to the Appendix B entitled *Investment Techniques*). Also, the Sub-Funds may carry out over-the-counter (or **"OTC"**) transactions using options, swaps, swaptions and other derivative instruments entered into with highly rated financial institutions specialising in this type of transaction and participating actively in the relevant OTC market.

These techniques and instruments will be used, provided that the sum of commitments resulting from them in any Sub-Fund shall not at any time exceed the Net Asset Value of such Sub-Fund. The use of these techniques and instruments will have the effect to change the exposure of the Sub-Fund in order to optimise the performance; however, the increased exposure of the Sub-Fund might lead the Net Asset Value to go down in a more important manner or to go up to a less extent than the one which would result exclusively from market fluctuations.

IV. INVESTING IN THE COMPANY ON THE PRIMARY MARKET

The primary market is the market on which Shares are issued by the Company and/or redeemed by the Company subject to the terms and conditions stated below and in the relevant Appendices (the "**Primary Market**"').

The Primary Market regarding Shares denominated as UCITS ETF is essentially

relevant for the authorized participants of those UCITS ETF.

A. THE SHARES

The Company's capital is represented by Shares with no mention of nominal value. All Shares are paid entirely upon issue.

The Board of Directors may at any time issue new Shares without granting existing Shareholders a preferred subscription right. Such newly issued Shares, at the discretion of the Board of Directors, may belong to different Classes and different Sub-Funds. The proceeds of the issue of each Class are allocated to the relevant Sub-Fund. The Articles of Incorporation set forth the procedure for allocating assets of the Company among the Sub-Funds.

In order to determine the Company's registered capital, the Net Assets of each Sub-Fund are, if not expressed in USD, converted into USD and the capital will be equal to the total, expressed in USD of the Net Assets of each Sub-Fund.

Within each Sub-Fund, the Directors may create different Classes for which Shares are entitled to regular dividend payments (**"Distribution"** Shares) or Shares with earnings reinvested (**"Capitalisation"** Shares), and corresponding to (i) a specific structure of subscription or redemption fees, and/or (ii) a specific structure of management or advisory fees, and/or (iii) a specific structure of fees paid to Intermediaries and/or (iv) the targeted investors (retail or institutional).

For instance, the structure of the subscription or fees used for different Classes of Shares may be different when some Classes of Shares add to the Net Asset Value per Share an entry or and exit fees and some others apply a Swing Pricing Policy (see the chapter entitled *Net Asset Value - section B "Swing Pricing"* of the present Prospectus).

For further information on the Classes of Shares, investors should refer to the present chapter and the table entitled *Summary Table of Shares that may be issued by the Company* detailing the available Classes for each Sub-Fund as well as their characteristics.

Classes of Shares may differ according to the applicable rate of *Taxe d'abonnement* (see the chapter entitled *Taxation*), according to the applicable rate of management fees (see *Summary Table of the Shares that may be issued by the Company*), in the exchange risks and according to the giving right or no right to dividend payments.

In each Sub-Fund, the Company may, but is not required to, issue one or more of the Classes of Shares set as follows and/or as defined in the relevant Apprendix:

Class **"R"** Shares: Class of Shares dedicated to **all Investors** and which may be expressed in different currencies; (RE expressed in EUR; RU expressed in USD, RG expressed in GBP; RJ expressed in JPY; RP expressed in PLN; RSGD expressed in SGD).

Class "A" Shares: Class of Shares dedicated to all Investors and which may be expressed in different currencies; (AE expressed in EUR; AU expressed in USD, AG expressed in GBP; AJ expressed in JPY; AP expressed in PLN; ASGD expressed in SGD)

Class **"UCITS ETF C"** Shares: Class of Shares dedicated to **all Investors**, capitalizing, listed on a stock exchange and which may be expressed in different currencies; (UCITS ETF C-EUR expressed in EUR; UCITS ETF C-USD expressed in USD; UCITS ETF C-GBP expressed in GBP).

Class **"UCITS ETF D"** Shares: Class of Shares dedicated to **all Investors**, distributing, listed on a stock exchange and which may be expressed in different currencies; (UCITS ETF D-EUR expressed in EUR; UCITS ETF D-USD expressed in USD).

Class **"I"** Shares: Class of Shares dedicated to **Institutional** Investors within the meaning of the article 174 (2) c) of the 2010 Law and which may be expressed in different currencies; (IE expressed in EUR; IU expressed in USD, IG expressed in GBP; IJ expressed in JPY; IP expressed in PLN).

Class **"S"** Shares: Class of Shares dedicated to **Institutional** Investors within the meaning of the article 174 (2) c) of the 2010 Law with significant initial subscription amount and which may be expressed in different currencies; (SE expressed in EUR; SU expressed in USD, SG expressed in GBP; SJ expressed in JPY; SP expressed in PLN).

Class **"O"** Shares: Class of Shares dedicated to Portfolio managers[3] or Legal Entities selected by the SICAV[4] and which may be expressed in different currencies; (OE expressed in EUR; OU

[3] Who subscribe within the framework of discretionary mandate or dedicated fund.
[4] Who subscribe a minimum of EUR 5,000,000

expressed in USD, OG expressed in GBP; OJ expressed in JPY; OP expressed in PLN).

Class **"D"** Shares: Class of Shares dedicated to **all Investors**, distributing, listed on a stock exchange and which may be expressed in different currencies; (D-EUR expressed in EUR; D-USD expressed in USD; D-GBP expressed in GBP; D-CHF expressed in CHF).

Class **"C"** Shares: Class of Shares dedicated to **all Investors**, capitalizing, listed on a stock exchange and which may be expressed in different currencies; (C-EUR expressed in EUR; C-USD expressed in USD; C-GBP expressed in GBP; C-CHF expressed in CHF).

Class **"Monthly Hedged D"** Shares: Class of Shares dedicated to **all Investors**, distributing, minimizing the impact of the evolution of Euro (EUR), US dollar (USD), Pound Sterling (GBP), Swiss Franc (CHF) against the currency of each component of the index, listed on a stock exchange and which may be expressed in different currencies; (Monthly Hedged D-EUR expressed in EUR; Monthly Hedged D-USD expressed in USD; Monthly Hedged D-GBP expressed in GBP; Monthly Hedged D-CHF expressed in CHF).

Class **"Monthly Hedged C"** Shares: Class of Shares dedicated to **all Investors**, capitalizing, minimizing the impact of the evolution of Euro (EUR), US dollar (USD), Pound Sterling (GBP), Swiss Franc (CHF) against the currency of each component of the index, listed on a stock exchange and which may be expressed in different currencies; (Monthly Hedged C-EUR expressed in EUR; Monthly Hedged C-USD expressed in USD; Monthly Hedged C-GBP expressed in GBP; Monthly Hedged C-CHF expressed in CHF).

Class "**UCITS ETF Daily Hedged D**" Shares: Class of Shares dedicated to **all Investors**, distributing, minimizing the impact of the evolution of Euro (EUR), US dollar (USD), Pound Sterling (GBP), Swiss Franc (CHF) against the currency of each component of the index, listed on a stock exchange and which may be expressed in different currencies; (Daily Hedged D-EUR expressed in EUR; Daily Hedged D-USD expressed in USD; Daily Hedged D-GBP expressed in GBP; Daily Hedged D-CHF expressed in CHF).

Class "**UCITS ETF Daily Hedged C**" Shares: Class of Shares dedicated to **all Investors**, capitalizing, minimizing the impact of the evolution of Euro (EUR), US dollar (USD), Pound Sterling (GBP), Swiss Franc (CHF) against the currency of each component of the index, listed on a stock exchange and which may be expressed in different currencies; (Daily Hedged C-EUR expressed in EUR; Daily Hedged C-USD expressed in USD; Daily Hedged C-GBP expressed in GBP; Daily Hedged C-CHF expressed in CHF).

Class "**UCITS ETF Monthly Hedged D**" Shares: Class of Shares dedicated to **all Investors**, distributing, minimizing the impact of the evolution of Euro (EUR), US dollar (USD), Pound Sterling (GBP), Swiss Franc (CHF) against the currency of each component of the index, listed on a stock exchange and which may be expressed in different currencies; (Monthly Hedged D-EUR expressed in EUR; Monthly Hedged D-USD expressed in USD; Monthly Hedged D-GBP expressed in GBP; Monthly Hedged D-CHF expressed in CHF).

Class "**UCITS ETF Monthly Hedged C**" Shares: Class of Shares dedicated to **all Investors**, capitalizing, minimizing the impact of the evolution of Euro (EUR), US dollar (USD), Pound Sterling (GBP), Swiss Franc (CHF) against the currency of each component of the index, listed on a stock exchange and which may be expressed in different currencies; (Monthly Hedged C-EUR expressed in EUR; Monthly Hedged C-USD expressed in USD; Monthly Hedged C-GBP expressed in GBP; Monthly Hedged C-CHF expressed in CHF).

For all Classes not expressed in the Sub-Fund Reference Currency, when hedging is undertaken, currency forward, currency futures, currency option transactions and currency swaps may be engaged for the exclusive account of the relevant Share Class in order to preserve the value of Shares Class's currency against the Sub-Fund's Reference Currency. Where undertaken, the effects of this hedging will be reflected in the Net Asset Value and therefore, in the performance of such Share Class. Similarly, any expenses arising from such hedging transactions will be borne by the Class in relation to which they have been incurred. It should be understood that the hedge will be undertaken whether the Reference Currency is declining or increasing in value relative to the Reference currencies. No assurance can be given that the hedging objective will be achieved.

In the event that Shares of Class O or Class S or Class I are held by a Shareholder who was not or is no longer entitled thereto, the Directors shall immediately convert, without any prior notice or charge, the Shares respectively into Class R Shares within the same Sub-Fund.

Upon their issue, the Shares are freely negotiable. In each Sub-Fund, the Shares of each Class benefit in an equal manner from the profits of the Sub-Fund, but do not benefit from any preferred right or pre-emption right. At the general meetings of Shareholders, one vote is granted to each Share, regardless of its Net Asset Value.

Fractions of Shares, up to one thousandth, may be issued, and will participate in proportion to the profits of the relevant Sub-Fund but do not carry any voting rights.

The Shares are only issued in registered form and are materialised either by a registered certificate (representing 1, 10 or 100 Shares), or by an inscription in the register (for any number of Shares, including thousandths of Shares).

In the absence of a specific request for Share certificates, each Shareholder will receive written confirmation of the number of Shares held in each Sub-Fund and in each Class of Shares. Upon request, a Shareholder may receive without any charge, a registered certificate in respect of the Shares held. The certificates delivered by the Company are signed by two Directors (the two signatures may be either hand-written, printed or appended with a signature stamp) or by one Director and another person authorized by the Directors for the purpose of authenticating certificates (in which case, the signature must be hand-written).

In the event that a Share certificate has been misplaced, damaged or destroyed, a duplicate may be issued upon request and proper justification, subject to the conditions and guarantees that the Directors may determine. As soon as the new certificate is issued (bearing mention that it is a duplicate), the original certificate will have no value.

The Company may in its absolute discretion charge the Shareholder for the cost of the duplicate or the new certificate as well as any expense in relation with the registration in the Shares' register and as the case may be, with the destruction of the original certificate.

The Directors may restrict or prevent the holding of Shares by any individual or legal entity if such holding is considered as detrimental to the Company or to its Shareholders. The Directors may also prevent the ownership of Shares by US Persons.

The Classes currently issued are presented for each Sub-Fund along with their main characteristics in the Appendix E at the end of this Prospectus (Summary Table of Shares that may be issued by the Company).

The table mentions the initial offering price at which the Board of Directors may propose to issue them **(this initial offering price will be definitively fixed at the time of the issue of the Shares).**

B. ISSUE OF SHARES ON PRIMARY MARKET

The Board of Directors has authority to accomplish the issue of Shares in any Sub-Fund or Class of Shares in respect of any Sub-Fund. Issues of Shares will be made with effect from a determined Valuation Day.

Shares are available for subscription through the Registrar Agent (acting on behalf of the Management Company) and through Intermediaries. The Company shall reserve the right to refuse any subscription request or only accept part of such request.

The Issue Price (as defined hereafter) per Share is expressed in the Reference Currency for the relevant Sub-Fund, as well as in certain other currencies as may be determined from time to time by the Board of Directors. Currency exchange transactions may delay any issue of Shares since the Administrative Agent may choose as its option to delay executing any foreign exchange transactions until cleared funds have been received.

Applications for subscription must indicate the name of each relevant Sub-Fund and Class of Shares, the number of Shares applied for or the monetary amount to be subscribed, the name under which the Shares are registered and all useful information regarding the person to whom the payments should be made.

The **"Issue Price"** per Share of each Sub-Fund is equal to the Net Asset Value per Share (as defined under *Net Asset Value*) of the relevant Sub-Fund expressed with four decimals and rounded up or down to the nearest unit of the Reference Currency. The Issue Price per Share is calculated by the Administrative Agent on each relevant Calculation Day of the Sub-Fund by using the last available closing prices of each Valuation Day. Please refer to the definition of the "Valuation Day" in the Appendix D, GLOSSARY OF TERMS.

The Shares of each Sub-Fund will be initially offered as determined for each Sub-Fund.

After the initial subscription period the Shares are issued at the Issue Price calculated by the Administrative Agent for each Share on each Calculation Day (as defined hereunder). To be executed on the Valuation Day, any subscription order must be received at the registered office of the Registrar Agent acting on behalf of the Company on any Dealing Day **(D)** before the relevant Sub-Fund subscription deadline in Luxembourg (the "Sub-Fund Subscription Deadline") as defined in the table below under D.CONVERSION OF SHARES). Orders transiting through Intermediaries may support shorter deadlines.

The subscription order will be processed on that Dealing Day, using the Net Asset Value per Share calculated for each Valuation Day. Any application for subscription received after the Sub-Fund Subscription Deadline on the relevant Dealing Day, will be processed on the next Dealing Day on the basis of the Net Asset Value per Share calculated for the following Valuation Day.

All the subscription requests are dealt at an unknown Net Asset Value ("forward pricing").
In addition to the Issue Price, the Intermediary or the Management Company involved in the subscription procedure may charge the subscriber, for the benefit of such Intermediary or for the benefit of the Management Company, a subscription fee which may not exceed 5% of the Issue Price, subject to specificities stated in Appendix E.

Moreover an entry fee of max. 0.60% (refer to Appendix E) of the Issue Price may be added to the Issue Price in favour of the Sub-Fund in order to cover the portfolio transactions costs. This commission shall be applied to subscription orders implying a portfolio restructuration. Unless otherwise instructed by the Management Company, simultaneous subscriptions and redemptions for the same amount of the same Sub-Fund shall not involve any portfolio transactions costs.

Such entry fee will not be added to the Issue Price of Classes of Shares applying a Swing Pricing Policy (see "**Swing Pricing**") as the Issue Price of such Classes of Shares takes into account directly the portfolio transactions costs.

The issued Shares shall only be delivered to the Shareholder upon receipt by the Company of the payment of the total Issue Price for such Shares. After the initial offering period to the public, the payment of any subscription will be made to the Company within five Business Days following the day on which the Issue Price of the concerned Shares has been determined (as defined for each Sub-Fund in the table below under D.CONVERSION OF SHARES).

The Company will not issue Shares in a given Sub-Fund during the periods when the calculation of the Net Asset Value of the Sub-Fund has been suspended (see *Temporary Suspension of the Net Asset Value Calculation*).

In compliance with the Articles of Incorporation, the Board of Directors may prevent the holding of Shares by any US Person.

1. Intermediaries Acting as Nominees

Subject to the law of the countries where the Shares are offered, Intermediaries may, with the agreement of the Management Company act as nominees for a Shareholder.

In this capacity, the Intermediary shall apply for the subscription, conversion or redemption of Shares for the account of its client and request registration of such operations in the Sub-Fund's Shares' register in the name of the Intermediary.

Notwithstanding the foregoing, a Shareholder may invest directly in the Company without using the services of a nominee. The agreement between the Company and any nominee shall contain a provision that gives the Shareholder the right to exercise its title to the Shares subscribed through the nominee. The nominee agent will have no power to vote at any general meeting of Shareholders, unless the Shareholder grants it a power of attorney in writing with authority to do so. At all time, subscribers retain the ability to invest directly in the Company without using the nominee service.

An investor may ask at any time in writing that the Shares shall be registered in his name and in such case, upon delivery by the investor to the Registrar Agent of the relevant confirmation letter of the nominee, the Registrar Agent shall enter the corresponding transfer and investors' name into the Shareholder register and notify the nominee accordingly.

However, the aforesaid provisions are not applicable for Shareholders who have acquired Shares in countries where the use of the services of a nominee (or other Intermediary) is necessary or compulsory for legal, regulatory or compelling practical reasons.

In relation to any subscription, an Intermediary authorised to act as nominee is deemed to represent the Directors that:

a) the investor is not a US Person;

b) it will notify the Board of Directors and the Registrar Agent immediately if it learns that an investor has become a US Person;
c) in the event that it has discretionary authority with respect to Shares which become beneficially owned by a US Person, the Intermediary will cause such Shares to be redeemed and;
d) it will not knowingly transfer or deliver any Shares or any part thereof or interest therein to a US Person nor will any Shares be transferred to the United States.

The Board of Directors may, at any time, require Intermediaries who act as nominees to make additional representations to comply with any changes in applicable laws and regulations.

All Intermediaries shall offer to each investor a copy of this Prospectus as well as the relevant KIID (or any similar supplement, addendum or information note as may be required under applicable local law) as required by applicable laws prior to the subscription by the investor in any Sub-Fund.

The list of Nominees and Intermediaries is available at the registered office of the Company. Orders transiting through Intermediaries may support shorter deadlines.

2. Anti-Money Laundering

Pursuant to the applicable Luxembourg laws and to the circulars of the Luxembourg supervisory authority, obligations have been outlined to prevent the use of undertakings for collective investment such as the Fund for money laundering purposes. Within this context a procedure for the identification of investors has been imposed on the Administrator: the application form of an investor must be accompanied, in the case of individuals, by, inter alia, a copy of the passport or identification card and/or in the case of legal entities, a copy of the statutes and an extract from the commercial register (any such copy must be certified to be a true copy by one of the following authorities: ambassador, consulate, notary, local police). Such identification procedure may be waived in the following circumstances:

- in the case of subscriptions through a professional of the financial sector resident in a country which imposes an identification obligation equivalent to that required under Luxembourg law for the prevention of money laundering;

- in the case of subscription through an intermediary or nominee whose parent is subject to an identification obligation equivalent to that required by Luxembourg law and where the law applicable to the parent imposes an equivalent obligation on its subsidiaries or branches.

It is generally accepted that professionals of the financial sector resident in a country which has ratified the conclusions of the FATF (Financial Action Task Force) are deemed to have an identification obligation equivalent to that required by Luxembourg law.

Such information is only collected for anti-money laundering compliance purposes.

3. Subscription in Kind

The Board of Directors may, at its discretion, decide to accept securities as valid consideration for a subscription provided that these comply with the investment policy and restrictions of the relevant Sub-Fund. Shares will only be issued upon receipt of the securities being transferred as payment in kind. Such subscription in kind, if made, will be reviewed and the value of the assets so contributed verified by the auditor of the Company. A report will be issued detailing the securities transferred, their respective market values on the day of the transfer and the number of Shares issued and such report will be available at the office of the Company.

Exceptional costs resulting from a subscription in kind will be borne exclusively by the subscriber concerned.

C. REDEMPTION OF SHARES ON PRIMARY MARKET

At the request of a Shareholder, the Company shall redeem, on each Valuation Day, all or part of the Shares held by a Shareholder. For this purpose, Shareholders should send, directly or through Intermediaries, to the Registrar Agent acting on behalf of the Company a written request detailing the number of Shares or the monetary amount to be redeemed, the Sub-Fund(s), Class(es) of Shares for which they request the redemption, the name under which the Shares are registered and all useful information regarding the Shareholder to which payments should be made.

The Redemption Price (as defined hereafter) per Share is expressed in the Reference Currency for the relevant Sub-Fund or Class, as well as in certain other currencies as may be determined from time to time by the Board of Directors.

The **"Redemption Price"** per Share of each Sub-Fund is equal to the Net Asset Value per Share (as defined under Net Asset Value) of the

relevant Sub-Fund expressed with four decimals and rounded up or down to the nearest unit of the Reference Currency. The Redemption Price per Share is calculated by the Administrative Agent for each Sub-Fund on each Calculation Day by using the last available closing prices of the Valuation Day. In order to be executed on the last available closing prices of any Valuation Day, a redemption request must be received at the registered office of the Registrar Agent acting on behalf of the Company on any Dealing Day before the relevant Sub-Fund redemption deadline (the **"Sub-Fund Redemption Deadline"**) in Luxembourg (as defined hereunder). Any application for redemption received after the Sub-Fund Redemption Deadline on the relevant Dealing Day, will be processed on the next Dealing Day on the basis of the Net Asset Value per Share determined on the following Calculation Day (as defined in the table below under D.CONVERSION OF SHARES).

The Redemption Price will be paid in the relevant Reference Currency for each Sub-Fund or Class. The Shares, at the Net Asset Value per Share, expressed with four decimals, regardless of the relevant Reference Currency for each Sub-Fund and rounded up or down to the nearest unit of the relevant currency.

In addition to the Issue Price, the Intermediary or the Management Company involved in the redemption procedure may charge the Shareholders, for the benefit of such Intermediary or for the benefit of the Management Company, a redemption fee which may not exceed 5% of the Issue Price, subject to specificities stated in Appendix E.

Moreover, unless otherwise specified in the relevant Sub-Fund's Appendix, an exit fee of max. 0.50% of the Redemption Price may be added to the Redemption Price in favour of the Sub-Fund in order to cover the portfolio transactions costs. This commission shall be applied to redemption orders implying a portfolio restructuration. Unless otherwise instructed by the Management Company, simultaneous subscriptions and redemptions for the same amount of the same Sub-Fund shall not involve any portfolio transactions costs.

Such exit fee will not be added to the Redemption Price of Classes of Shares applying a swing pricing policy (see "*Swing Pricing*"), as the Redemption Price of such Classes of Shares takes into account directly the portfolio transactions costs.

The Shareholders redeeming shares a same day shall be applied the same exit fee.

All the redemption requests are dealt at an unknown Net Asset Value ("forward pricing").

Notwithstanding the foregoing, simultaneous redemption/subscription operations for an identical amount of the same Sub-Fund by a same Shareholder may be executed free of charge on the basis of the Net Asset Value calculated on the Valuation Day following the receipt and the acceptation by the Company of the relevant request.

The payment of the Redemption Price will normally be made within five Business Days following the day on which the Redemption Price of the concerned Shares is determined (as defined for each Sub-Fund in the table below under D.CONVERSION OF SHARES).

The payment will be made by wire transfer, on an account indicated by the Shareholder or, upon request and the cost supported by the Shareholder, by cheque sent by mail to the Shareholder.

Share redemptions will be suspended in case of a suspension of the Net Asset Value calculation. In case of a suspension, all Shareholders or persons requesting the subscription or the redemption of Shares will be notified of any such suspension. Any redemption request which is presented or suspended during such suspension may be revoked through written notice, provided that such request has been received by the Company before the abrogation of this suspension. Failing such a revocation, the concerned Shares will be redeemed on the first Valuation Day following the end of the suspension. Notice of any such suspension of dealings shall be published if the Board of Directors decides that such publication is appropriate.

When redemption requests for Shares of the same Sub-Fund, to be executed at a given Valuation Day, exceed 10% of the issued Shares of this Sub-Fund at that Valuation Day, the Company shall reserve the possibility of reducing the number of redeemed Shares to 10% of the total number of Shares of the Sub-Fund in issue at that Valuation Day, being understood that this reduction will apply to all the Shareholders having requested the redemption of Shares of this Sub-Fund at that Valuation Day in proportion to the number of Shares or to the monetary amount for which they have requested the redemption. Any postponed redemption requests

will be satisfied, by priority to the requests received subsequently, on the next Valuation Day (or on the next Valuation Day until the complete settlement of the original requests) at the Net Asset Value calculated as of such subsequent Valuation Day. The concerned Shareholders will be informed individually.

When, for any reason, the Net Assets of a Sub-Fund are below an amount determined by the Board of Directors, the Directors may decide to proceed with the mandatory redemption of all the Shares issued and outstanding for the concerned Sub-Fund. Such redemption will be done at the Net Asset Value calculated on the Valuation Day immediately following this decision.

D. CONVERSION OF SHARES

Except in the event of a suspension of the Net Asset Value calculation of one or several Sub-Funds, the Shareholders are entitled to request an amendment to the rights attached to all or part of their Shares, through the conversion into Shares of another Sub-Fund or Class of Shares, provided that the Shares of such Sub-Fund or Class of Shares have already been issued. The conversion request must be addressed in writing to the Registrar Agent acting on behalf of the Company. In order to be executed on any Valuation Day, a conversion request must be received at the register office of the Company on any Dealing Day before the relevant Sub-Fund conversion deadline (as defined hereafter), in Luxembourg, (the **"Sub-Fund Conversion Deadline"**).

Orders transiting through Intermediaries may support shorter deadlines.

Sub-Fund name	Sub-Fund Dealing Day / Subscription, Redemption or Conversion Deadline	Valuation Day	Calculation Day	Payment Day
Lyxor EURO STOXX 300 (DR)	D at 1 P.M.	D	D+1 Business Day	D+3 Business Days
	J at 1 P.M.	J	J+1 Business Day	J+3 Business Days
Lyxor EURO STOXX 300 (DR) Classes UCITS ETF C, UCITS ETF D, UCITS ETF Daily Hedged C, UCITS ETF Daily-hedged D, UCITS ETF Monthly Hedged C and UCITS ETF Monthly Hedged D	D at 3.00 P.M.	D	D+1 Business Day	Subscription: Between D+2 and D+5 Business Days Redemption: Between D+3 and D+5 Business Days
	J at 3.00 P.M.	J	J+1 Business Day	Subscription: Between J+2 and J+5 Business Days Redemption: Between J+3 and J+5 Business Days
Lyxor Stoxx Europe 600 (DR)	D at 1 P.M.	D	D+1 Business Day	D+3 Business Days
	J at 1 P.M.	J	J+1 Business Day	J+3 Business Days
Lyxor Stoxx Europe 600 (DR) Classes UCITS ETF C, UCITS ETF D, UCITS ETF Daily Hedged C, UCITS ETF Daily-hedged D, UCITS ETF Monthly Hedged C and UCITS ETF Monthly Hedged D	D at 3.00 P.M.	D	D+1 Business Day	Subscription: Between D+2 and D+5 Business Days Redemption: Between D+3 and D+5 Business Days
	J at 3.00 P.M.	J	J+1 Business Day	Subscription: Between J+2 and J+5 Business Days Redemption: Between J+3 and J+5 Business Days
Lyxor EURO STOXX 50 (DR)	D at 1 P.M.	D	D+1 Business Day	D+3 Business Days
	J at 1 P.M.	J	J+1 Business Day	J+3 Business Days
Lyxor EURO STOXX 50 (DR) Classes UCITS ETF C, UCITS ETF D, UCITS ETF Daily Hedged C, UCITS ETF Daily-hedged D, UCITS ETF Monthly Hedged C and UCITS ETF Monthly Hedged D	D at 3 P.M.	D	D+1 Business Day	Subscription: Between D+2 and D+5 Business Days Redemption: Between D+3 and D+5 Business Days
	J at 3 P.M.	J	J+1 Business Day	Subscription: Between J+2 and J+5 Business Days Redemption: Between J+3 and J+5 Business Days
Lyxor Emerging Markets Local Currency Bond (DR)**	D at 1 P.M.	D+1 Business Day	D+2 Business Days	Subscription: D+3 Business Days Redemption: D+4 Business Days
	J-1 Business Day at 1 P.M.	J	J+1 Business Day	Subscription: J+2 Business Days Redemption: J+3 Business Days
Lyxor Emerging Markets Local Currency Bond (DR)** Classes R	J-1 Business Day at 1 P.M.	J	J+1 Business Day	Subscription: J+4 Business Days*** Redemption: J+5 Business Days***
Lyxor Emerging Markets Local Currency Bond (DR)** UCITS ETF C and UCITS ETF D	D at 5 P.M J-1 Business Day at 5 P.M.	D+1 Business Day J	D+2 Business Days J+1 Business Day	Subscription: D+3 Business Days Redemption: D+4 Business Days Subscription: J+2 Business Days Redemption: J+3 Business Days
Lyxor SG Global Value Beta UCITS ETF	D at 6.30 P.M.	D+1 Business Day	D+2 Business Day	Subscription: Between D+3 and D+6 Business Days Redemption: Between D+3 and D+6 Business Days
	J-1 at 6.30 P.M.	J	J+1 Business Day	Subscription: Between J+2 and J+5 Business Days Redemption: Between J+2 and J+5 Business Days
Lyxor Smart Cash	D at 1.00 P.M.	D	D	Subscription: D+1 Redemption: Between D+1 and D+5
Lyxor J.P. Morgan Europe Low Beta Factor Index UCITS ETF	D at 4.00 P.M.	D	D+1 Business Day	Subscription: Between D+1 and D+5 Business Days Redemption: Between D+1 and D+5 Business Days
	J at 4.00 P.M.	J	J+1 Business Day	Subscription: Between J+1 and J+5 Business Days Redemption: Between J+1 and J+5 Business Days

Lyxor J.P. Morgan Europe Low Size Factor Index UCITS ETF	D at 4.00 P.M.	D	D+1 Business Day	Subscription: Between D+1 and D+5 Business Days Redemption: Between D+1 and D+5 Business Days
	J at 4.00 P.M.	J	J+1 Business Day	Subscription: Between J+1 and J+5 Business Days Redemption: Between J+1 and J+5 Business Days
Lyxor J.P. Morgan Europe Momentum Factor Index UCITS ETF	D at 4.00 P.M.	D	D+1 Business Day	Subscription: Between D+1 and D+5 Business Days Redemption: Between D+1 and D+5 Business Days
	J at 4.00 P.M.	J	J+1 Business Day	Subscription: Between J+1 and J+5 Business Days Redemption: Between J+1 and J+5 Business Days
Lyxor J.P. Morgan Europe Quality Factor Index UCITS ETF	D at 4.00 P.M.	D	D+1 Business Day	Subscription: Between D+1 and D+5 Business Days Redemption: Between D+1 and D+5 Business Days
	J at 4.00 P.M.	J	J+1 Business Day	Subscription: Between J+1 and J+5 Business Days Redemption: Between J+1 and J+5 Business Days
Lyxor J.P. Morgan Europe Value Factor Index UCITS ETF	D at 4.00 P.M.	D	D+1 Business Day	Subscription: Between D+1 and D+5 Business Days Redemption: Between D+1 and D+5 Business Days
	J at 4.00 P.M.	J	J+1 Business Day	Subscription: Between J+1 and J+5 Business Days Redemption: Between J+1 and J+5 Business Days
Lyxor J.P. Morgan Multi-factor Europe Index UCITS ETF	D at 4.00 P.M.	D	D+1 Business Day	Subscription: Between D+1 and D+5 Business Days Redemption: Between D+1 and D+5 Business Days
	J at 4.00 P.M.	J	J+1 Business Day	Subscription: Between J+1 and J+5 Business Days Redemption: Between J+1 and J+5 Business Days
Lyxor USD Liquid Investment Grade Corporate Bonds UCITS ETF	D at 6.30 P.M.	D	D+1 Business Day	Subscription: Between D+1 and D+5 Business Days Redemption: Between D+1 and D+5 Business Days
	J at 6.30 P.M.	J	J+1 Business Day	Subscription: Between J+1 and J+5 Business Days Redemption: Between J+1 and J+5 Business Days
Lyxor Australia Sovereign Bonds UCITS ETF (DR)	D at 6.30 P.M.	D	D+1 Business Day	Subscription: Between D+1 and D+5 Business Days Redemption: Between D+1 and D+5 Business Days
	J-1 Business Day at 6.30 P.M.	J	J+1 Business Day	Subscription: Between J+1 and J+5 Business Days Redemption: Between J+1 and J+5 Business Days
Lyxor J.P. Morgan Multi-factor World Index UCITS ETF	D at 4.00 P.M.	D+1 Business Day	D+1 Business Day	Subscription: Between D+1 and D+5 Business Days Redemption: Between D+1 and D+5 Business Days
	J-1 Business Day 4.00 P.M.	J	J+1 Business Day	Subscription: Between J+1 and J+5 Business Days Redemption: Between J+1 and J+5 Business Days

Lyxor Winton Europe Equity UCITS ETF	D at 5.00 P.M.	D	D+1 Business Day	Subscription: Between D+1 and D+5 Business Days Redemption: Between D+1 and D+5 Business Days
	J at 5.00 P.M.	J	J+1 Business Day	Subscription: Between J+1 and J+5 Business Days Redemption: Between J+1 and J+5 Business Days
Lyxor Winton Global Equity UCITS ETF	D at 6.30 P.M.	D	D+1 Business Day	Subscription: Between D+1 and D+5 Business Days Redemption: Between D+1 and D+5 Business Days
	J at 6.30 P.M.	J	J+1 Business Day	Subscription: Between J+1 and J+5 Business Days Redemption: Between J+1 and J+5 Business Days
Lyxor Winton US Equity UCITS ETF	D at 6.30 P.M.	D	D+1 Business Day	Subscription: Between D+1 and D+5 Business Days Redemption: Between D+1 and D+5 Business Days
	J at 6.30 P.M.	J	J+1 Business Day	Subscription: Between J+1 and J+5 Business Days Redemption: Between J+1 and J+5 Business Days
Lyxor Alpha Plus Fund****	D-5 Business Day 4.00 P.M.	D	D+3 Business Day	Subscription: D Redemption: D+5 Business Days
	J-5 Business Day 4.00 P.M.	J	J+3 Business Day	Subscription: J Redemption: J+5 Business Days
Lyxor BofAML $ High Yield Bond UCITS ETF	D at 6.30 P.M.	D	D+1 Business Day	Subscription: Between D+1 and D+5 Business Days Redemption: Between D+1 and D+5 Business Days
	J at 6.30 P.M.	J	J+1 Business Day	Subscription: Between J+1 and J+5 Business Days Redemption: Between J+1 and J+5 Business Days
Lyxor BTP Daily Short UCITS ETF	D at 5 P.M.	D	D+1 Business Day	Subscription: Between D+1 and D+5 Business Days Redemption: Between D+1 and D+5 Business Days
	J at 5 P.M.	J	J+1 Business Day	Subscription: Between J+1 and J+5 Business Days Redemption: Between J+1 and J+5 Business Days
Lyxor Bund Daily Short UCITS ETF	D at 5 P.M.	D	D+1 Business Day	Subscription: Between D+1 and D+5 Business Days Redemption: Between D+1 and D+5 Business Days
	J at 5 P.M.	J	J+1 Business Day	Subscription: Between J+1 and J+5 Business Days Redemption: Between J+1 and J+5 Business Days
Lyxor 10Y US Treasury Daily Short UCITS ETF	D at 5 P.M.	D	D+1 Business Day	Subscription: Between D+1 and D+5 Business Days Redemption: Between D+1 and D+5 Business Days
	J at 5 P.M.	J	J+1 Business Day	Subscription: Between J+1 and J+5 Business Days Redemption: Between J+1 and J+5 Business Days

Crystal Europe Equity	D at 1.30 P.M. for Classes IE, IU, AE, AE-D, AU, RE and RU. D at 3.30 P.M. for Classes UCITS ETF C-EUR	D	D+1 Business Day	Subscription: up to D+3 Business Days Redemption: up to D+3 Business Days
	J at 1.30 P.M. for Classes IE, IU, AE, AE-D, AU, RE and RU. J at 3.30 P.M. for Classes UCITS ETF C-EUR	J	J+1 Business Day	Subscription: up to J+3 Business Days Redemption: up to J+3 Business Days
Lyxor $ Floating Rate Note UCITS ETF	D at 6.30 P.M.	D	D+1 Business Day	Subscription: Between D+1 and D+5 Business Days Redemption: Between D+1 and D+5 Business Days
	J at 6.30 P.M.	J	J+1 Business Day	Subscription: Between J+1 and J+5 Business Days Redemption: Between J+1 and J+5 Business Days

The Valuation Day is each business day in Luxemburg except for the Sub-Funds where the Net Asset Value will not be calculated, these days not being Business Days, see definitions in Appendix D.
**Lyxor Emerging Markets Local Currency Bond (DR) Sub-Fund will not be valued on (i) Saturday and Sunday, (ii) on days when banks in Luxembourg, London, Paris or New York are closed for business, (iii) on days when markets on which a significant portion of the portfolio is dealt are closed for business and (iv) exceptionally on such other days as may be determined by the Board of Directors and notified to Shareholders.
***Such Business Day shall also be a Singapore Business Day.
****Lyxor Alpha Plus Fund Sub-Fund will not be valued on (i) Saturday and Sunday, (ii) on days when banks in Luxembourg and Paris are closed for business (iii) exceptionally on such other days as may be determined by the Board of Directors and notified to Shareholders.

All the conversions requests are dealt at an unknown Net Asset Value ("forward pricing").

The Conversion Price shall be calculated on each Calculation Day. Any application for Conversion received after the Sub-Fund Conversion Deadline on the relevant Dealing Day, will be processed on the next Dealing Day on the basis of the Net Asset Value per Share determined on the following Calculation Day.

Because of the different cut-off applicable to each Sub-Fund, Shareholders who convert their Shares from one Sub-Fund to another may incur the risk of being not invested during a certain period of time which in principle should not exceed one day.

The Conversion Price resulting of the conversion into Shares of any target Sub-Fund or Class of Shares is expressed in the Reference Currency of the target Sub-Fund, as well as in certain other currencies as may be determined from time to time by the Board of Directors.

The conversion is free of charge (exception made of the relevant entry and exit fees, see Appendix E) and made at a rate calculated by reference to the respective Net Asset Values of the concerned Sub-Funds and/or Classes.

The following table summarizes the conversions allowed between different Classes of Shares, provided that the conditions mentioned in the chapter *IV. A* of the present Prospectus are fulfilled (investors' status, fees structure, minimum subscription amount, approval of the Board of Directors, right to dividend payments or no right to distributions, etc.). **Conversion from IE-W, SE-W and SU-W Share classes to other Classes of Shares or vice versa should be priorly approved by the Board of Directors. Conversions from RU-D, RU-DW, RSGD-D and RSGD-DW Classes of Shares to other Classes of Shares or vice versa of the Sub-Fund Lyxor Emerging Market Local Currency Bond (DR) are not allowed.**

To **From**	**Classes RE, RU, RG, RJ, RP** **All Investors**	**Classes UCITS ETF** **All Investors**	**Classes IE, IE-D, IU, IU-D, IG, IJ, IP** **Institutional**	**Classes SE, SE-D, SU, SU-D, SG, SJ, SP** **Institutional with minimum subscription amount**	**Classes OE, OU, OG, OJ, OP** **Portfolio managers selected by the Company**
Classes RE, RU, RG, RJ, RP **All Investors**	Yes	No	No	No	No
Classes UCITS ETF **All Investors**	No	-	No	No	No
Classes IE, IE-D, IU, IU-D, IG, IJ, IP **Institutional**	Yes	No	Yes	Yes if subscription condition fulfilled	No
Classes SE, SE-D, SU, SU-D, SG, SJ, SP **Institutional with minimum subscription amount**	Yes	No	Yes	Yes	No
Classes OE, OU, OG, OJ, OP **Portfolio managers selected by the Company**	Yes	No	Yes if subscription condition fulfilled	Yes if subscription condition fulfilled	Yes if subscription condition fulfilled

V. SECONDARY MARKET FOR UCITS ETF SHARE CLASS/SUB-FUND

LISTING ON THE STOCK EXCHANGE

The intention of the Company is for each of its Sub-Funds/Share Class denominated as UCITS ETF (as mentioned in each corresponding Sub-Fund Annex under Part II of the Prospectus), to have at least one Share Class traded throughout the day on at least one regulated market or multilateral trading facility with at least one market maker which takes action to ensure that the stock exchange value of its Share Class does not significantly vary from its Net Asset Value and where applicable its Indicative Net Asset Value (as defined below).

It is contemplated to make an application to list the Share Class denominated as UCITS ETF (or Share Class of the Sub-Funds denominated as UCITS ETF) on one or several stock exchanges.

A list of these stock exchanges where the Shares Class can be bought and sold can be obtained from the registered office of the Company.

Unless otherwise mentioned in the relevant Annex under Part II of the Prospectus, the main market maker for all the Sub-Funds denominated as UCITS ETF is Société Générale Paris office. For the avoidance of doubt, other market makers (whether or not member of the Société Générale's group) could be appointed from time to time by the Company in respect of one or several stock exchange on which certain Shares Classes are listed.

INDICATIVE NET ASSET VALUE PER SHARE

The Company may at its discretion make available, or may designate other persons to make available on its behalf, on each Business Day, an intra-day net asset value (the "**iNAV**") for one or more Sub-Funds/Share Class considered as UCITS ETF. If the Company or its designee makes such information available on any Business Day, the iNAV will be calculated based upon information available during the trading day or any portion of the trading day, and will ordinarily be based upon the current value of the assets/exposures, adjusted by the relevant foreign exchange rate, as the case may be, of the Sub-Fund and/or the considered financial index in effect on such Business Day, together with any cash amount in the Sub-Fund as at the previous Business Day. The Company or its designee will make available an iNAV if this is required by any relevant stock exchange.

An iNAV is not, and should not be taken to be or relied on as being, the value of a Share Class or the price at which Shares may be subscribed for or redeemed or purchased or sold on any relevant stock exchange. In particular, any iNAV provided for any Share Class where the constituents of the concerned financial index financial instruments are not actively traded during the time of publication of such iNAV may not reflect the true value of a Share, may be misleading and should not be relied on.

Investors should be aware that the calculation and reporting of any iNAV may reflect time delays in the receipt of the prices of the relevant constituent securities in comparison to other calculated values based upon the same constituent securities including, for example, the concerned financial index or the iNAV of other exchange traded funds based on the same concerned financial index. Investors interested in buying or selling Shares on a relevant stock exchange should not rely solely on any iNAV which is made available in making investment decisions, but should also consider other market information and relevant economic and other factors (including, where relevant, information regarding the concerned financial index, the relevant constituent securities and financial instruments based on the concerned financial index corresponding to the relevant Sub-Fund/Share Class).

PURCHASE AND SALE PROCEDURE ON THE SECONDARY MARKET

The secondary market is the market on which the Shares can be purchased and/or sold directly on the stock exchanges (the "**Secondary Market**").

For all purchases and/or sales of Shares made on the Secondary Market, no minimum purchase and/or sale is required other than the minimum that may be required by the relevant stock exchange.

The Company will not charge any purchase or sale fee in relation to the purchase or sale of the Shares of UCITS ETF on any exchange where they are listed. However, some market intermediaries may charge broker fees or other kind of fees. The Company does not receive these fees.

The Shares of the Sub-Funds/Share Class purchased on the Secondary Market are generally not redeemable from the Company. Investors must buy and sell the Shares on the Secondary Market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees for doing so. In addition, investors may pay

more than the current net asset value when buying Shares and may receive less than the current net asset value when selling them.

In the event of a Suspension of the Secondary Market (as defined below), not based on an Index Liquidity Event (as defined below), the Management Company will allow shareholders to redeem their Shares on the Primary Market at a price based at the applicable Net Asset Value per Share, provided that the Net Asset Value per Shares is not itself suspended under the applicable regulations and/or the Prospectus and/or the Articles of Incorporation.

"Suspension of the Secondary Market" means any situation where it is impossible for shareholders to sell their Shares on all the stock exchanges where the considered Sub-Fund is listed for a period of at least of three Business Days since the occurrence of (i) the suspension of quotation by the market operator or (ii) the impossibility to trade observed by all shareholders on the considered stock exchange, and which is based on either:

- the significant variation of the stock exchange value of the considered listed Shares of the Sub-Fund in comparison with its indicative net asset value;

- the lack of authorized participants, or the inability by the authorized participants to meet their commitment to conduct their business by means of a permanent presence on the market, thus making it impossible to trade the considered Shares on the considered place of quotation to which the share class is admitted.

"**Index Liquidity Event**" means any market disruption event and/or any liquidity issue affecting part or all the components of the Index, which leads to a suspension of their market appreciation.

Upon Suspension of the Secondary Market, the following redemption procedure (the "**Procedure**") will apply. Redemption orders initiated in case of Suspension of the Secondary Market shall be sent by any considered Shareholder to the financial intermediary acting as account keeper of its Shares (the "**Relevant Intermediary**") and shall contain (i) the number of Shares to be redeemed and the (ii) targeted redemption date and (ii) a copy of the notice published by the Management Company on its website (www.lyxoretf.com) and presenting the decision to extend the Primary Market (the "**Extended Primary Market Notification**") for any considered Share Class of a Sub-Fund.

Redemption orders dealt in those circumstances shall be relayed, through the Relevant Intermediary, to a member of Euroclear France and then transmitted by such member to the pre-centralization agent of the considered Sub-Fund "Société Générale SGSS/CHB/SET/DIR/NANT, 32 avenue du Champ de Tir, BP 81 236, 44312 NANTES CEDEX 3, FRANCE".

The aforementioned pre-centralisation agent will forward the redemption orders to the Registrar Agent.

Depending on the arrangements in place between the Relevant Intermediary and the other investment firms involved in the redemption chain, additional constraints, delays or intermediary fees could be applicable, and the Shareholders are invited to contact their Relevant Intermediary in order to obtain additional information about those eventual constraints and/or fees (being understood that such Intermediary fees will not benefit to the Management Company).

The foregoing is a summary of the Procedure which will be further detailed in the Extended Primary Market Notification.

Redemption orders dealt with in these circumstances in accordance of the terms of the Procedure will not be subject to the minimum redemption thresholds (number of shares), if applicable, and the Redemption fee as described for each Share Class in Appendix E of the Prospectus.

VI. NET ASSET VALUE

A. GENERAL

The Net Assets of a Sub-Fund equal the market value of the (i) assets of the relevant Sub-Fund, including accrued income, less (ii) liabilities and provision for accrued expenses attributable to each Class of Shares within the Sub-Fund. The Net Assets of the Company are expressed in USD, and the Net Asset Value per Share of each Sub-Fund is expressed in the currency defined under the chapter entitled *Range of Subfunds*.

The Net Asset Value per Share for each Sub-Fund is determined under the responsibility of the Board of Directors on each Calculation Day on the basis of the last available closing prices of each Valuation Day on the markets where the securities held by the concerned Sub-Fund are negotiated except for the Sub-Funds where the

Net Asset Value will not be calculated on the days where the applicable index rates are not available (these days not being business days.)

For each Sub-Fund, the Net Asset Value per Share of any Class of Shares is calculated by dividing (i) the Net Assets of the relevant Sub-Fund attributable to the Class of Shares by (ii) the total number of outstanding Shares and fractions of Shares of such Class at the relevant Valuation Day (the Net Asset Value per Share is expressed in the relevant Reference Currency or any other currency as may be determined from time to time by the Board of Directors, with four decimals, regardless of the Reference Currency of the relevant Sub-Fund).

1. The assets of the Company shall be deemed to include:

(a) all cash on hand or on deposit, including any interest accrued thereon;

(b) all bills and demand notes payable and accounts receivable (including proceeds of securities sold but not delivered);

(c) all bonds, time notes, certificates of deposit, shares, stocks, units or shares of undertakings for collective investments, debentures, debenture stocks, subscription rights, warrants, options and other securities, financial instruments and similar assets owned or contracted for by the Company (provided that the Company may make adjustments in a manner not inconsistent with paragraph (i) below with regards to fluctuations in the market value of securities caused by trading ex-dividends, ex-rights, or by similar practices);

(d) all stock dividends, cash dividends and cash distributions receivable by the Company to the extent information thereon is reasonably available to the Company;

(e) all interest accrued on any interest-bearing assets owned by the Company except to the extent that the same is included or reflected in the principal amount of such assets;

(f) the preliminary expenses of the Company, insofar as the same have not been written off;

(g) all other assets of any kind and nature including expenses paid in advance;

the value of such assets shall be determined as follows:

i. the value of any cash on hand or on deposit bills and demand notes and accounts receivable, prepaid expenses, cash dividends, interests declared or accrued and not yet received, all of which are deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof;

ii. securities listed on a recognised stock exchange or dealt on any other regulated market (hereinafter referred to as a "**Regulated Market**") that operates regularly, is recognised and is open to the public, will be valued at their last available closing prices, or, in the event that there should be several such markets, on the basis of their last available closing prices on the main market for the relevant security;

iii. in the event that the last available closing price does not, in the opinion of the Directors, truly reflect the fair market value of the relevant securities, the value of such securities will be determined by the Directors based on the reasonably foreseeable sales proceeds determined prudently and in good faith;

iv. securities not listed or traded on a stock exchange or not dealt on another Regulated Market will be valued on the basis of the probable sales proceeds determined prudently and in good faith by the Directors;

v. the value of financial derivative instruments traded on exchanges or on other Regulated Markets shall be based upon the last available settlement prices of these financial derivative instruments on exchanges and Regulated Markets on which the particular financial derivative instruments are traded by the Company; provided that if financial derivative instruments could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the value of such financial

derivative instruments shall be such value as the Directors may deem fair and reasonable;

vi. the financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market will be valued in a reliable and verifiable manner on a daily basis and verified by a competent professional appointed by the Company;

vii. investments in open-ended UCI will be valued on the basis of the last available net asset value of the units or shares of such UCI;

viii. all other transferable securities and other permitted assets will be valued at fair market value as determined in good faith pursuant to procedures established by the Board of Directors;

ix. liquid assets and money market instruments may be valued at market value plus any accrued interest or on an amortised cost basis as determined by the Board of Directors. All other assets, where practice allows, may be valued in the same manner. If the method of valuation on an amortised cost basis is used, the portfolio holdings will be reviewed from time to time under the direction of the Board of Directors to determine whether a deviation exists between the Net Asset Value calculated using the market quotation and that calculated on an amortised cost basis. If a deviation exists which may result in a material dilution or other unfair result to investors or existing shareholders, appropriate corrective action will be taken including, if necessary, the calculation of the Net Asset Value by using available market quotations; and.

x. in the event that the above mentioned calculation methods are inappropriate or misleading, the Board of Directors may adjust the value of any investment or permit some other method of valuation to be used for the assets of the Company if it considers that the circumstances justify that such adjustment or other method of valuation should be adopted to reflect more fairly the value of such investments.

Any assets held not expressed in the reference currency of the Company will be converted into such reference currency at the rate of exchange prevailing in a recognised market on the day preceding the Valuation Day.

2. The liabilities of the Company shall be deemed to include:

(a) all loans, bills and accounts payable;

(b) all accrued or payable administrative fees, costs and expenses (including management fees, distribution fees, depositary fees, administrative agent fees, registrar and transfer agent fees, nominee fees and all other third party fees);

(c) all known liabilities, present and future, including all matured contractual obligations for payment of money or property;

(d) an appropriate provision for future taxes based on capital and income on the Valuation Day, as determined from time to time by the Company, and other reserves, if any, authorised and approved by the Directors, in particular those that have been set aside for a possible depreciation of the investments of the Company; and

(e) all other liabilities of the Company of whatsoever kind and nature except liabilities represented by Shares of the Company. In determining the amount of such liabilities, the Company shall take into account all expenses payable by the Company which shall comprise set up expenses, fees payable to the Board of Directors, the Management Company (including all reasonable out of pocket expenses), accountants, Depositary and paying agents, Administrative Agent, Registrar Agent and permanent representatives in places of registration, Intermediaries and any other agent employed by the Company, fees for legal and auditing services, cost of any proposed listings, maintaining such listings, printing, reporting and publishing expenses (including costs of preparing, translating and printing in different languages) of

Prospectuses, KIIDs, explanatory memoranda or registration statements, annual reports and semi-annual reports, long form reports taxes or governmental and supervisory authority charges, insurance costs and all other operating expenses, including the cost of buying and selling assets, interest, bank charges and brokerage, postage, telephone and telex. The Company may calculate administrative and other expenses of a regular or recurring nature on an estimated figure for yearly or other periods in advance, and may accrue the same in equal proportions over any such period.

All Shares in the process of being redeemed by the Company shall be deemed to be issued until the close of business on the Valuation Day applicable to the redemption. The redemption price is a liability of the Company from the close of business on this date until paid.

All Shares issued by the Company in accordance with subscription applications received shall be deemed issued from the close of business on the Valuation Day applicable to the subscription. The subscription price is an amount owned to the Company from the close of business on such day until paid.

The Net Assets of the Company are equal to the total of the Net Assets of each Sub-Fund.

B. SWING PRICING

Swing Pricing may apply to some Classes of Shares of some Sub-Funds of the Company as an alternative structure of fees linked to the subscriptions and redemptions.

For any Sub-Fund of the Company the Management Company may need to undertake transactions in order to maintain the desired asset allocation as a result of subscriptions or redemptions in any Class of Shares of such Sub-Fund, which may generate additional costs for such Sub-Fund and its Shareholders. As a consequence, in order to protect the existing Shareholders' interest and to prevent the dilution of the existing Shareholders, from these capital movements, when no entry/exit fees are added to the NAV per share, an adjustment (the "Swing Factor") is applied when calculating the NAV per share of such Classes of Shares using Swing Pricing. This adjustment reflects the estimated tax and dealing costs that may be incurred by the Sub-Fund as a result of these transactions, and the estimated bid-offer spread of the assets in which the Sub-Fund invests. Such adjustments are therefore equivalent to the entry or exit fees applying to subscriptions or redemptions in Classes of Shares without Swing Pricing.

When there are net inflows in a given Class of Shares, the Swing Factor will increase the NAV per Share of such Class of Shares and when there are net outflows in a given Class, the Swing Factor will reduce the NAV per Share of such Class of Shares.

The specific Classes of Shares of the Sub-Funds of the Company for which the Swing Pricing applies (referred to with the letter "W") are indicated in Appendix E, together with the maximum level of the Swing Factor (both for net inflows and net outflows).

Should any performance commission be paid for any Class of Shares of any Sub-Fund of the Company, the performance commission calculation will be performed without taking into account the Swing Factor.

Investors in such Classes of Shares for which a Swing Pricing Policy apply are informed that when there are capital movements in such Classes of Shares the volatility of the NAV per Share of such Classes of Shares might not reflect only the Sub-Funds assets performance (and therefore might deviate from the Sub-Fund's investment objective), but also the costs linked to subscriptions and redemptions in such Classes of Shares, as a consequence of Swing Pricing.

C. TEMPORARY SUSPENSION OF THE NET ASSET VALUE CALCULATION

The Company may suspend the calculation of the Net Asset Value of one or more Sub-Funds and the issue, redemption and conversion of any Classes of Shares in the following circumstances:

a) during any period when any of the principal stock exchanges or other markets on which a substantial portion of the investments of the Company attributable to such Sub-Fund from time to time is quoted or dealt in is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended;
b) during the existence of any state of affairs which constitutes an emergency in the opinion of the Directors as a result of which disposal or valuation of assets

owned by the Company attributable to such Sub-Fund would be impracticable;

c) during any breakdown or restriction in the means of communication normally employed in determining the price or value of any of the investments of such Sub-Fund or the current price or value on any stock exchange or other market in respect of the assets attributable to such Sub-Fund;

d) during any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of Shares of such Sub-Fund or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Shares cannot, in the opinion of the Directors, be effected at normal rates of exchange;

e) during any period when in the opinion of the Directors of the Company there exist unusual circumstances where it would be impracticable or unfair towards the Shareholders to continue dealing with Shares of any Sub-Fund of the Company or any other circumstance or circumstances where a failure to do so might result in the Shareholders of the Company, a Sub-Fund or a Class of Shares incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment which the shareholders of the Company, a Sub-Fund or a Class of Shares might not otherwise have suffered;

f) in the event of (i) the publication of the convening notice to a general meeting of at which a resolution to wind up the Company or a Sub-Fund is to be proposed, or of (ii) the decision of the Board of Directors to wind up one or more Sub-Funds, or (iii) to the extent that such a suspension is justified for the protection of the Shareholders, of the notice of the general meeting of Shareholders at which the merger of the Company or a Sub-Fund is to be proposed, or of the decision of the Board of Directors to merge one or more Sub-Funds;

g) when for any other reason beyond the control of the Board of Directors, the prices of any investments owned by the Company attributable to such Sub-Fund cannot promptly or accurately be ascertained;

h) where a UCI in which a Sub-Fund has invested a substantial portion of its assets temporarily suspends the calculation of the net asset value of its shares/units or the repurchase, redemption or subscription of its shares/units, whether on its own initiative or at the request of its competent authorities;

i) following the suspension of the calculation of the net asset value per share/unit, the issue, redemption and/or conversion of shares/units, at the level of a master fund in which a Sub-Fund invests in its quality of feeder fund of such master fund.

The suspension of the calculation of the Net Asset Value of a Sub-Fund shall have no effect on the calculation of the Net Asset Value per Share, the issue, redemption and conversion of Shares of any other Sub-Fund which is not suspended.

Any such suspension shall be published, if appropriate, be promptly notified to Shareholders requesting redemption or conversion of their Shares by the Company at the time of the filing of the written request for such redemption as specified in Section IV point C. The Board of Directors may also make public such suspension in such a manner as it deems appropriate.

Suspended subscription, redemption and conversion applications may be withdrawn by written notice provided that the Company receives such notice before the suspension ends. Suspended subscription, redemption and conversion applications shall be executed on the first Valuation Day following the resumption of Net Asset Value calculation by the Company.

D. PUBLICATION OF THE NET ASSET VALUE PER SHARE

The NAV per Share of each Class within each Sub-Fund is available daily at the registered office of the Company, the Management Company, the Depositary and online at the following web site: www.fundsquare.net.

The relevant NAV per Share Class may be published as determined by the Company or as otherwise required by applicable law in each country where the Company or a specific Sub-Fund and/or Share Class is authorised for public or restricted offering.

The Company may arrange for the publication of this information in leading financial newspapers or any web sites.

The Company cannot accept any responsibility for any error or delay in publication or for non-publication of a Net Asset Value.

VII. DISTRIBUTION POLICY

In principle, capital gains and other income of the Company will be capitalised and no dividends will generally be payable to Shareholders, except for the Classes D, UCITS ETF D, Monthly Hedged D, IE-D, IU-D, SE-D, SU-D, RU-D, RU-DW, RSGD-D, RSGD-DW, AE-D, AU-D Shares of any Sub-Funds (see Part II – Sub-Funds Particularities) for which dividends may be distributed once or several times a year.

Notwithstanding, the Board of Directors may propose to the Annual General Meeting of Shareholders the payment of a dividend if it considers it is in the interest of the Shareholders; in this case, subject to approval of the Shareholders, a cash dividend may be distributed out of the available net investment income and the net capital gains of the Company.

Upon proposal of the Board of Directors, the Annual General Meeting of Shareholders may also decide to distribute to the Shareholders a dividend in the form of Shares of one or more Sub-Funds, in proportion to the existing Shares of the same Sub-Fund, if any, already held by each Shareholder.

In relation to the Distribution Shares existing in certain Sub-Funds (please refer to *the Summary Tables of Shares*), it is intended that the Company will distribute dividends in the form of cash in the relevant Sub-Fund's/Classes of Shares Reference Currency. Annual dividends are declared separately in respect of such Distribution Shares at the Annual General Meeting of Shareholders. In addition, the Directors may declare interim dividends.

The Board of Directors may decide also that dividends be automatically reinvested by the purchase of further Shares. In such case, the dividends will be paid to the Registrar Agent who will reinvest the money on behalf of the Shareholders in additional Shares of the same Class. Such Shares will be issued on the payment date at the Net Asset Value per Share of the relevant Class in non-certificated form. Fractional entitlements to registered Shares will be recognised to three decimal places.

Dividend remaining unclaimed five years after the dividend record date will be forfeited and will accrue for the benefit of the relevant Sub-Fund.

VIII. FEES, EXPENSES AND TAXATION

A. FEES AND EXPENSES BORNE BY THE COMPANY

The Company (or each Sub-Fund on a *pro rata* basis) shall bear all its operating and related expenses, including, but not limited to, the fees, commissions and certain reasonable out-of-pocket expenses of the Directors, the Management Company, the Depositary, the Intermediaries, the distributors, where applicable, the paying agents and other financial agents duly mandated by the Company or the Management Company, the auditors and legal advisers. The Company will further bear the cost of printing and distributing copies of this Prospectus and of each KIID and the annual and semi-annual reports. The Company or each Sub-Fund, as applicable, shall pay out of its assets all brokerage commissions and transaction charges and costs incurred in connection with its operations, all taxes and fiscal charges payable by the Company or a Sub-Fund and the Company's or Sub-Fund's registration costs, as well as the cost of maintaining such registration with all governmental or stock market authorities. The Company shall not bear any advertising costs.

1. Management Fees

The management fees are paid out of the assets of each Sub-Fund on a monthly basis in arrears to the Management Company and calculated for each Class of Shares within each Sub-Fund on the quarterly average of the Net Asset Value of each Sub-Fund over such quarter. The annual rate of such fees, for each Class of Shares, is included in the total fee set forth under the Appendix E entitled *Summary Tables of the Shares issued by the Company*.

2. Other Fees and Expenses

The fees of the Administrative Agent, of the Registrar Agent, of the Depositary, the Intermediaries, nominees, any paying agents and the other financial agents mandated by the Company, the Management Company are determined through mutual agreement with the relevant entity at the rate and according to the market practices in Luxembourg. For example, certain fees are based on the Net Asset Value or the assets under management of the relevant Sub-Fund or Class of Shares and the others, on the transactions or other interventions executed for the account of the Company or any Sub-Fund.

All the fees borne by each Sub-Fund, with the exception of the fees and expenses in connection

with the incorporation, registration, brokerage commissions and transaction charges are included in the total fee (expressed as a percentage of the net assets) set forth for each Sub-Fund, under the Appendix E entitled *Summary Tables of the Shares issued by the Company, and could be paid by the Management Company out of its management fees*.

The fees and expenses in connection with the incorporation and registration of the Company will be borne by the Management Company.

The incorporation fees borne by new Sub-Funds are amortised over a maximum period of five years. In the case of liquidation of a Sub-Fund, the liquidation fees will be borne by this Sub-Fund or the Management Company in their entirety.

All other fees, if not amortised, are first deducted from the investments income and secondly, as necessary, from the capital gains made from the capital.

All revenues from efficient portfolio management techniques, net of direct and indirect operational costs and fees, will be returned to the Sub-Fund. In particular, fees and cost may be paid to agents of the Company or the Management Company and to other intermediaries providing services in connection with efficient portfolio management techniques as normal compensation of their services. For more details, please refer to the section h) efficient portfolio management technique of the Appendix B below.

The Management Company or their Connected Persons may enter into soft commission arrangements with a number of brokers under which real-time pricing information and analysis from independent research group is made available to the Management Company or their Connected Persons free of charge in consideration of the Management Company dealing with such brokers for the account of the Sub-Funds. Soft commission arrangements may also give to the Connected Persons access to risk management software. Goods and services supplied under soft commission arrangements must be of demonstrable benefit to Shareholders of the relevant Sub-Fund and transactions with brokers must not be in excess of customary institutional full service rates and best execution terms. Details of soft commission arrangements will be disclosed in the Company's accounts.

B. TAXATION

1. Taxation of the Company

A charge (*Taxe d'abonnement*) equal to (i) 0.01% per annum for all Classes of Shares dedicated to institutional investors and (ii) 0.05% per annum for the Classes dedicated to retail investors, is payable quarterly to Luxembourg authorities and calculated on the basis of the Net Assets of each Sub-Fund on the last day of the quarter.

The portion of the assets of any Sub-Fund invested in other Luxembourg UCI is not subject to the aforesaid tax.

The Sub-Funds (i) whose securities are listed or traded on at least one stock exchange or another regulated market operating regularly, recognised and open to the public and (ii) whose exclusive object is to replicate the performance of one or more indices are not subject to the aforesaid tax.

If several Classes of Shares exist within the relevant Sub-Fund, the exemption only applies to Classes of Shares fulfilling the conditions of sub-point (i) above.

No tax or charge is payable in Luxembourg following the issue of Shares, except for a capital duty of 1,250 EUR payable by the Company on incorporation. Under Luxembourg law, no tax is payable in Luxembourg on capital gains made in respect of any Shares.

Some Company income (in the form of dividends, interest or profits from sources outside Luxembourg) may be subject to withholding tax, at a variable rate, which may not be recoverable.

2. Taxation of the Shareholders

Under current legislation and practice, Shareholders are not subject to any capital gains, income, withholding, inheritance or other taxes in Luxembourg (except for Shareholders domiciled, resident or having a permanent establishment in Luxembourg and for certain former residents of Luxembourg owning more than 10% in the share capital of the Company).

The Council of the European Union adopted on 3rd June 2003 Council Directive 2003/48/EC on the taxation of savings income. Under this Directive, Member States of the European Union ("Member States") are required to provide the tax authorities of another Member State with details of payments of interest or other similar income paid by a person within its jurisdiction to an individual resident in that other Member State, subject to the right of certain Member States

(Austria, Belgium and Luxembourg) to opt instead OF a withholding tax system for a transitional period in relation to such payments.

The Council Directive 2003/48/EC on the taxation of savings income (the "**EU Savings Directive**") has been repealed by Council Directive of 2015/2060 of 10 November 2015 with effect from 1 January 2016. However, for a transitional period, the EU Savings Directive shall continue to apply and notably regarding reporting obligations and scope of information to be provided by the Luxembourg paying agent (within the meaning of the EU Savings Directive) and regarding obligations of the EU Member States in respect of the issuance of the tax residence certificate and elimination of double taxation.

On 9 December 2014, the Council of the European Union adopted Directive 2014/107/EU amending Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation, which now provides for an automatic exchange of financial account information between EU Member States ("**DAC Directive**"), including income categories contained in the EU Savings Directive. The adoption of the aforementioned directive implements the OECD Common Reporting Standard and generalizes the automatic exchange of information within the European Union as of 1 January 2016.

Thus, the measures of cooperation provided by the EU Savings Directive are to be replaced by the implementation of the DAC Directive which is also to prevail in cases of overlap of scope. As Austria has been allowed to start applying the DAC Directive up to one year later than other Member States, special transitional arrangements taking account of this derogation apply to Austria.

In addition, Luxembourg signed the OECD's multilateral competent authority agreement ("**Multilateral Agreement**") to automatically exchange information. Under this Multilateral Agreement, Luxembourg will automatically exchange financial account information with other participating jurisdictions as of 1 January 2016 (the "**CRS Law**").

The Luxembourg law of 18 December 2015 relating to the automatic exchange of information in tax matters that implements the DAC Directive and the Multilateral Agreement in Luxembourg has been published in the official journal on 24 December 2015 and is effective as from 1 January 2016.

Shareholders should get information about, and where appropriate take advice on, the impact of the changes to the EU Savings Directive, the implementation of the DAC Directive and the Multilateral Agreement in Luxembourg and in their country of residence on their investment.

3. Foreign Account Tax Compliance Act (FATCA)

Being established in Luxembourg and subject to the supervision of the CSSF in accordance with the Law, the Company will be treated as a FFI for FATCA purposes.

Luxembourg has signed a Model I intergovernmental agreement ("IGA") with the United States of America on 28 March 2014. The Company must comply with the requirements of the IGA. This includes the obligation for the Company to regularly assess the status of its investors. To this extend, the Company will need to obtain and verify information on all of its investors. Upon request of the Company, each investor shall agree to provide certain information, including, in case of a Non-Financial Foreign Entity ("NFFE"), the direct or indirect owners above a certain threshold of ownership of such shareholder, or the natural persons who exercise control over this entity, along with the required supporting documentation. Similarly, each investor shall agree to actively provide to the Company within thirty days any information like for instance a new mailing address or a new residency address that would affect its status.

In certain conditions when the investor does not provide sufficient information, the Company will take actions to comply with FATCA. This may result in the obligation for the Company to disclose the name, address and taxpayer identification number (if available) of the investor as well as information like account balances, income and gross proceeds (non-exhaustive list) to its local tax authority under the terms of the applicable IGA.

Although the Company will attempt to satisfy any obligation imposed on it to avoid imposition of FATCA withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a withholding tax as result of the FATCA regime, the value of the Shares held by the investor may suffer material losses. A failure for the Company to obtain such information from each shareholder and to transmit it to the Luxembourg tax authorities may trigger the 30% withholding tax to be imposed on payments of U.S. source incomes and on proceeds from the sale of property or other assets that could give rise to U.S. source interest and dividends.

Any Shareholder that fails to comply with the Company's documentation requests may be charged with any taxes imposed on the Company attributable to such Shareholder's failure to provide the information and the Compay may, in its sole discretion, redeem the shares of such Shareholder, in particular if the investor is a in particular if the investor is a "Specified U.S. Person", a "Nonparticipating Financial Institution", or a "Passive Non-Financial Foreign Entity" with one or more substantial U.S. owners, as each defined by the FATCA and the IGA.

Investors who invest through intermediaries are reminded to check if and how their intermediaries will comply with this U.S. withholding tax and reporting regime.

IX. AUTOMATIC EXCHANGE OF INFORMATION

The Company may be subject to the Standard for Automatic Exchange of Financial Account Information in Tax matters (the "**Standard**") and its Common Reporting Standard (the "**CRS**") as set out in the CRS Law.

Under the terms of the CRS Law, the Company is likely to be treated as a Luxembourg Reporting Financial Institution. As such, as of 30 June 2017 and without prejudice to other applicable data protection provisions as set out in the Company documentation, the Company will be required to annually report to the Luxembourg tax authority (the "**LTA**") personal and financial information related, inter alia, to the identification of, holdings by and payments made to (i) certain investors as per the CRS Law (the "**Reportable Persons**") and (ii) the controlling persons (i.e. the natural persons who exercise control over an entity, in accordance with the Financial Action Task Force Recommendations - the "**Controlling Persons**") of certain non-financial entities ("**NFEs**") which are themselves Reportable Persons. This information, as exhaustively set out in Annex I of the CRS Law (the "**Information**"), will include personal data related to the Reportable Persons.

The Company's ability to satisfy its reporting obligations under the CRS Law will depend on each investor providing the Company with the Information, along with the required supporting documentary evidence. In this context, the investors are hereby informed that, as data controller, the Company will process the Information for the purposes as set out in the CRS Law. The investors undertake to inform their Controlling Persons, if applicable, of the processing of their Information by the Company.

The investors are further informed that the Information related to Reportable Persons within the meaning of the CRS Law will be disclosed to the LTA annually for the purposes set out in the CRS Law. In particular, the investors are also informed that the Management Company or its delegates may from time to time require the investors to provide information in relation to their identity and fiscal residence of financial account holders (including certain entities and their Controlling Persons) in order to ascertain their CRS status and report information regarding a shareholder and his/her/its account to the LTA.

The investors further undertake to immediately inform the Company of, and provide the Company with all supporting documentary evidence of any changes related to the Information after occurrence of such changes.
Any investor that fails to comply with the Company's Information or documentation requests may be held liable for penalties imposed on the Company and attributable to such investor's failure to provide the Information or subject to disclosure of the Information by the Company to the LTA, in accordance with the applicable domestic legislation.

The Company reserves the right to refuse any application for Shares if the information provided or not provided does not satisfy the requirements under the CRS Law.

Investors should consult their professional advisors on the possible tax and other consequences with respect to the implementation of the CRS.

X. CONFLICTS OF INTEREST

No contract or other transaction which the Company and any other corporation or firm might enter into shall be affected or invalidated by the fact that any one or more of the directors or officers of the Company are interested in, or is a director, associate, officer or employee of such other corporation or firm.

Any director or officer of the Company who serves as a director, officer or employee of any corporation or firm with which the Company shall contract or otherwise engage in business shall not, by reason of such affiliation with such other corporation or firm be prevented from considering and voting or acting upon any matters with respect to such contract or other business.

In the event that any director or officer of the Company may have any interest opposite to the Company in any transaction of the Company, such director or officer shall make known to the Board of

Directors such personal interest and shall not consider or vote on any such transaction, and such transaction, and such director's or officer's interest therein, shall be reported to the next succeeding meeting of Shareholders.

XI. GENERAL INFORMATION

A. FINANCIAL YEAR

The financial year of the Company (a **"Financial Year"**) begins on 1st November of each calendar year and terminates on 31st October of the next calendar year.

B. GENERAL MEETINGS OF SHAREHOLDERS

The Annual General Meeting of the Shareholders is held each calendar year in Luxembourg at 2 p.m. on the last Monday of the month of February. If this day is not a Business Day, the meeting shall be held on the next full Business Day. Other meetings of Shareholders may be held at such place and time as may be specified in the respective notices of meeting. All the Shareholders shall be convened to the meeting via a notice, recorded in the register of Shareholders and sent to their addresses, at least 8 days before the date of the General Meeting. This notice shall indicate the time and place of the General Meeting, the admission conditions, the agenda and the quorum and majority requirements.

To the extent required by Luxembourg law, further notices will be published in the *Recueil électronique des sociétés et associations* ***("RESA")***, in a Luxembourg newspaper and in any other newspapers that the Board of Directors may determine.

Each Share grants the right to one vote. The vote on a possible payment of dividend in a Sub-Fund requires the majority of the votes of the Shareholders of the concerned Sub-Fund and any amendment to the Articles of Incorporation leading to a change in the rights of a Sub-Fund must be approved by a decision of the General Meeting of Shareholders and by the Meeting of the concerned Sub-Fund's Shareholders.

C. TERMINATION OF THE COMPANY

1. Duration of the Company

There is no limit to the duration of the Company. The Company (and all the Sub-Funds and Classes) may, however, be dissolved, liquidated or any of its Sub-Funds or Classes closed or merged in the circumstances described under the following paragraphs.

2. Dissolution and Liquidation of the Company

The Company may, at any time, be dissolved by a resolution taken by the general meeting of Shareholders subject to the quorum and majority requirements as defined in the Articles of Incorporation and in the 2010 Law.

Whenever the capital falls below two thirds of the minimum capital as provided by the 2010 Law, the board of directors has to submit the question of the dissolution of the Company to the general meeting of Shareholders. The general meeting for which no quorum shall be required shall decide on simple majority of the votes of the Shares presented at the meeting.

The question of the dissolution and of the liquidation of the Company shall also be referred to the general meeting of Shareholders whenever the capital fall below one quarter of the minimum capital as provided by the 2010 Law. In such event the general meeting shall be held without quorum requirements and the dissolution or the liquidation may be decided by the Shareholders holding one quarter of the votes present or represented at that meeting.

The meeting must be convened so that it is held within a period of forty days from ascertainment that the net assets of the Company have fallen below two thirds or one quarter of the legal minimum as the case may be.

The issue of new shares by the Company shall cease on the date of publication of the notice of the general shareholders' meeting, to which the dissolution and liquidation of the Company shall be proposed.

The liquidation shall be carried out by one or several liquidators (who may be natural persons or legal entities) named by the meeting of Shareholders effecting such dissolution and which shall determine their powers and their compensation. The appointed liquidator(s) shall realise the assets of the Company, subject to the supervision of the relevant supervisory authority in the best interest of the Shareholders.

The proceeds of the liquidation of each Sub-Fund, net of all liquidation expenses, shall be distributed by the liquidators among the holders of Shares in each Class in accordance with their respective rights.

The amounts not claimed by Shareholders at the end of the liquidation process shall be deposited, in accordance with Luxembourg law, with the *Caisse de Consignation* in Luxembourg until the statutory limitation period has lapsed.

3. Termination of Sub-Funds or Classes of Shares

The Board of Directors may decide, at any moment, the termination of any Sub-Fund or Class of Shares.

In the case of termination of a Sub-Fund or Class, the Board of Directors may offer to the Shareholders of such Sub-fund or Class the conversion (if not prohibited) of their Shares into Shares of another Sub-Fund or Class, under the terms fixed by the Board of Directors.

In the event that for any reason the value of the net assets in any Sub-Fund or Class of Shares has decreased to an amount determined by the board of directors from time to time to be the minimum level for such Sub-Fund or Class of Shares to be operated in an economically efficient manner, or if a change in the economic or political situation would have material adverse consequences on the Company's investments, the directors may decide (i) to compulsorily redeem all the shares of the relevant Sub-Fund or Classes at the Net Asset Value per share, taking into account actual realisation prices of investments and realisation expenses and calculated on the valuation day at which such decision shall take effect or (ii) to offer to the Shareholders of the relevant Sub-Fund or Class the conversion (if not prohibited) of their Shares into Shares of another Sub-Fund or Class.

The Company shall serve a notice to the Shareholders of the relevant Sub-Fund or Class of Shares prior to the effective date of the compulsory redemption, which will indicate the reasons for and the procedure of the redemption operations. Registered Shareholders will be notified in writing. Unless it is otherwise decided in the interests of, or to maintain equal treatment between, the Shareholders, the Shareholders of the Sub-Fund or Class concerned may continue to request redemption or conversion of their Shares free of charge, taking into account actual realisation prices of investments and realisation expenses and prior to the date effective for the compulsory redemption.

Notwithstanding the powers conferred on the Board of Directors by the preceding paragraphs hereof, the general meeting of Shareholders of any one or all Classes of Shares issued in any Sub-Fund may, upon proposal of the Board of Directors, redeem all the Shares of the relevant Classes and refund to the Shareholders the Net Asset Value of their Shares, taking into account actual realisation prices of investments and realisation expenses and calculated on the Valuation Day at which such decision shall take effect. There shall be no quorum requirements for such general meeting of Shareholders that shall decide by resolution taken by simple majority of those present or represented.

Assets which may not be distributed to their owners upon the implementation of the redemption will be deposited with the *Caisse de Consignation* on behalf of the persons entitled thereto.

All redeemed Shares will be cancelled in the books of the Company.

4. Merger of Sub-Funds or Classes of Shares

The Board of Directors may decide to proceed with a merger (within the meaning of the 2010 Law) of the assets and of the liabilities of the Company or a Sub-Fund with those of (i) another existing Sub-Fund within the Company or another existing sub-fund within another Luxembourg or foreign UCITS, or of (ii) another Luxembourg or foreign UCITS. In such a case, the Board of Directors is competent to decide on or to approve the effective date of the merger. Such a merger shall be subject to the conditions and procedures imposed by the Law, in particular concerning the terms of the merger to be established by the Board of Directors and the information to be provided to the Shareholders.

The Board of Directors may also decide to absorb (i) any sub-fund within another Luxembourg or a foreign UCI, irrespective of their form, or (ii) any Luxembourg or foreign UCI constituted under a non-corporate form. Without prejudice to the more stringent and/or specific provisions contained in any applicable law or regulation, the decision of the Board of Directors will be published (either in newspapers to be determined by the Board of Directors or by way of a notice sent to the relevant Shareholders at their addresses indicated in the Shareholders Register) one month before the date on which the merger becomes effective in order to enable Shareholders to request during such period the repurchase or redemption of their units or, where possible, the conversion thereof into Shares in another Sub-Fund with similar investment, without any charge other than those retained by the Sub-Fund to meet disinvestment costs. At the expiry of this period, the decision to absorb shall bind all the Shareholders who have not exercised such right. The exchange ratio between the relevant Shares of the Company and those of the absorbed UCI or of the relevant sub-fund thereof will be calculated on the effective date of the absorption on the basis of the relevant net asset value per Share on such date.

Notwithstanding the powers conferred to the Board of Directors by the preceding paragraphs, the

Shareholders of the Company or the Shareholders of the relevant Sub-Fund(s), as the case may be, may also decide on any of the mergers or absorptions described above as well as on the effective date thereof by resolution taken with no quorum requirement and adopted at a simple majority of the votes validly cast. Where the Company is the absorbed entity which, thus, ceases to exist as a result of the merger, the general meeting of Shareholders of the Company must decide on the effective date of the merger. Such general meeting will decide by resolution taken with no quorum requirement and adopted by a simple majority of the votes validly cast.

In addition to the above, the Company may also absorb another Luxembourg or foreign UCI incorporated under a corporate form in compliance with the Luxembourg law dated 10 August 1915 on commercial companies as amended from time to time.

5. Division of Sub-Funds

The Board of Directors may decide, at any moment, to divide any Sub-Fund. In the case of division of Sub-Funds, the existing Shareholders of the respective Sub-Funds have the right to require, within one month of notification and enforcement of such event, the redemption by the Company of their Shares without redemption costs.

Any request for subscription shall be suspended as from the moment of the announcement of the division of the relevant Sub-Fund.

D. REPORTS AND ACCOUNTS OF THE COMPANY – INFORMATION TO SHAREHOLDERS

The audited annual report of the Company for each Financial Year will be available to Shareholders, free of charge, at the registered office of the Company within four months of the end of the relevant Financial Year and will be mailed to the registered Shareholders upon request. In addition, the unaudited semi-annual report of the Company for the period from 1st November up to 30th April of the subsequent year (a **"semi-annual period"**) will be available at the registered office of the Company within two months from the end of the relevant semi-annual period and will be mailed to the registered Shareholders, upon request.

For the purpose of establishing the consolidated annual reports, the Net Assets of the Company shall be expressed in USD. For the purpose of this calculation, the Net Assets of each segregated Sub-Fund shall be converted into USD. The report shall comprise specific information on each Sub-Fund as well as consolidated information on the Company.

All other communications to Shareholders shall be done through a notice that will be either published in a Luxemburger newspaper and in newspapers of countries where the Company's Shares are offered, or sent to the Shareholders at their address indicated in the Shareholders' register or communicated via other means as deemed appropriate by the Board of Directors and if required by the Luxembourg Law, in the *RESA*.

E. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 28-32 Place de la Gare, L-1616, Luxembourg, during normal business hours on any Business Day:

a) the Articles of Incorporation;
b) the material contracts referred to above;
c) the last annual audited financial reports of the Company; and
d) the latest non-audited semi-annual financial reports of the Company, if published since the last annual financial reports.

Procedures relating to the Management Company which Luxembourg regulation requires to be made available to investors for consultation are available upon request.

In addition, Shareholders may obtain copies of the Articles of Incorporation, this Prospectus, each KIID and the latest annual or semi-annual financial reports, free of charge, at the registered office of the Administrative Agent at 28-32 Place de la Gare, L-1616 Luxembourg, during normal business hours on any Business Day. The KIID is also available on www.lyxorfunds.com (except for UCITS ETF C and UCITS ETF D Shares which are available on www.lyxoretf.com.

APPENDIX A - INVESTMENT RESTRICTIONS

The Board of Directors shall, based upon the principle of risk spreading, have power to determine the corporate and investment policy for the investments for each Sub-Fund, the Reference Currency of a Sub-Fund and the course of conduct of the management and business affairs of the Company.

The assets of each Sub-Fund must be invested in accordance with the restrictions on investments set out in Part I of the 2010 Law and such additional restrictions, if any, as may be adopted from time to time by the Directors with respect to any Sub-Fund such as those described under the chapter entitled *Investment Objectives and Policies.*

As the Company is composed of more than one Sub-Fund, each Sub-Fund should be regarded as a separate UCITS for the purpose of this section.

A. INVESTMENT IN TRANSFERABLE SECURITIES AND LIQUID ASSETS

1) **The Company, in each Sub-Fund, may solely invest in**

   a) transferable securities and Money Market Instruments admitted to or dealt in on a Regulated Market within the meaning of article 1 of Directive 2004/39/EC;
   b) transferable securities and Money Market Instruments dealt in on another Regulated Market in a Member State of the European Union, which is regulated, operates regularly and is recognised and is open to the public;
   c) transferable securities and Money Market Instruments admitted to official listing on a stock exchange or dealt in on another Regulated Market located within any other country in Europe, Asia, Oceania, the Americas and Africa;
   d) recently issued transferable securities and Money Market Instruments provided that:
      i) the terms of issue provide that application be made for admission to official listing in any of the stock exchanges or Regulated Markets referred to above;
      ii) such admission is secured within one year of the issue.
   e) units or shares of UCITS authorised according to Directive 2009/65/EC and/or other UCIs within the meaning of the first and second indent of Article 1 paragraph (2) of the Directive 2009/65/EC, should they be situated in a Member State of the European Union or not, provided that:
      i) such other UCIs are authorised under laws which state that they are subject to supervision considered by the Luxembourg Supervisory Authority as equivalent as that laid down in Community legislation and that co-operation between authorities is sufficiently ensured (European Union, Canada, Hong Kong, Japan, Switzerland, United States of America);
      ii) the level of guaranteed protection offered to the unit holders/ shareholders in such other UCIs is equivalent to that provided for unit holders/ shareholders in a UCITS, and in particular that the rules on asset segregation, borrowings, lending and uncovered sales of transferable securities and Money market instruments are equivalent to the requirements of Directive 2009/65/EC;
      iii) the business of such other UCIs is reported in semi-annual and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
      iv) each sub-fund of the UCITS or of the other UCIs in which each Sub-Fund of the Company intends to invest, may not, according to its constitutive documents, invest more than 10% of its Net Assets in aggregate, in units/shares of other UCITS or other UCIs;
   f) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 (twelve) months, provided that the credit institution has its registered office in a Member State of the European Union or, if the registered office of the credit institution is situated in an OECD Country being FATF member, provided that it is subject to prudential rules considered by the Luxembourg Supervisory Authority as equivalent to those laid down in Community law;
   g) financial derivative instruments including equivalent cash settled instruments, dealt in on a Regulated Market referred to in sub-paragraphs a), b), c) above

and/or financial derivative instruments dealt in over-the-counter ("**OTC Derivatives**") provided that:

i) the underlying consists of instruments covered by the paragraph 1) above (points a to f), financial indices, interest rates, foreign exchanges rates or currencies in which each of the Sub-Funds may invest according to their investment objective;

ii) the counterparties to OTC derivative transactions are first rated and specialised institutions subject to prudential supervision, and belonging to the categories approved by the CSSF, and

iii) the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative.

h) Money Market Instruments other than those dealt in on a Regulated Market and referred to in Article 1 of the 2010 Law, if the issue or the issuer of such instruments are themselves regulated for the purpose of protecting investors and savings, and provided that they are:

i) issued or guaranteed by a central, regional, or local authority, a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or

ii) issued by an undertaking whose securities are dealt in on Regulated Markets referred to in sub-paragraphs a), b) or c); or

iii) issued or guaranteed by an establishment subject to prudential supervision, in accordance with the criteria defined by the Community law or by an establishment which is subject to and complies with prudential rules considered by the Luxembourg Supervisory Authority to be at least equivalent to those laid down in Community law; or

iv) issued by other bodies belonging to the categories approved by the Luxembourg Supervisory Authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second and the third indent above and provided that the issuer is a company whose capital and reserves amount at least to ten million Euro (EUR 10,000,000.-) and which presents and publishes its annual accounts in accordance with the Directive 2013/34/EU, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

2) **However,**

- each Sub-Fund of the Company may invest a maximum of 10% of its Net Assets in transferable securities and Money Market Instruments other than those referred to in paragraph (1);
- the Company may hold liquidity on an ancillary basis.

3) **Risk Diversification Rules**

a) Each Sub-Fund may not invest more than 10% of its Net Assets in transferable securities or Money Market Instruments issued by the same issuer.
Each Sub-Fund may not invest more than 20% of its Net Assets in deposits made with the same issuer. The risk exposure to a counterparty of each Sub-Fund in an OTC derivative transaction may not exceed 10% of its Net Assets when the counterparty is a credit institution referred to in (1) f) above or 5% of its Net Assets in other cases.

b) In addition to the limit set forth in point a) above, the total value of Transferable Securities and Money Market Instruments amounting more than 5% of the Net Assets of one Sub-Fund, must not exceed 40% of the Net Assets of this Sub-Fund. This limitation does not apply to deposit and OTC derivative transactions made with financial institutions subject to prudential supervision.

Notwithstanding the individual limits laid down in paragraph a), b) above, each Sub-Fund may not combine:

i) investments in Transferable Securities or Money Market Instruments issued by a single issuer, and
ii) deposits made with a single issuer and,
iii) exposures arising from OTC derivatives transactions undertaken with a single issuer for more than 20% of the Sub-Fund's Net Assets.

c) The limit of 10% in sub-paragraph 3 a) above may be increased to a maximum of 35% in respect of transferable securities and Money Market Instruments which are issued or guaranteed by a Member State of the European Union (a "**Member State**") or its local authorities, by an OECD country being FATF member or by public international bodies of which one or more Member States are members, and such securities and Money Market Instruments need not be included in the calculation of the limit of 40% stated in sub-paragraph 3) b).

d) The limit of 10% in sub-paragraph 3 a) above may be increased to a maximum of 25% in respect of qualifying debt securities issued by a credit institution whose registered office is situated in a Member State of the European Union and which is subject, by virtue of law, to particular public supervision in order to protect the holders of such qualifying debt securities. For purposes hereof, "qualifying debt securities" are securities the proceeds of which are invested in accordance with applicable law in assets providing a return which will cover the debt service through the maturity date of the securities and which will be applied on a priority basis to the payment of principal and interest in the event of a default by the issuer. To the extent that a relevant Sub-Fund invests more than 5% of its Net Assets in debt securities issued by such an issuer, the total value of such investments may not exceed 80% of the Net Assets of such Sub-Fund. Such securities need not be included in the calculation of the limit of 40% stated in sub-paragraph 3 b).

The ceilings set forth in paragraph 3 above may not be combined, and accordingly, investments in the securities and Money Market Instruments issued by the same body, in deposits or derivative instruments made with this body, accomplished in compliance with the provisions set forth in paragraph 3, may under no circumstances exceed 35% of any Sub-Fund's Net Assets.

e) The limit of 10% in sub-paragraph 3 a) above is raised to a maximum of 20% for investments in shares and/or bonds issued by the same body when, according to the incorporation documents of the UCITS, the aim of the UCITS' investment policy is to replicate the composition of a certain stock or bond index which:

- is sufficiently diversified,
- represents an adequate benchmark for the market to which it refers,
- is published in an appropriate manner.

The limit laid down in sub-paragraph 3 a) above is raised to 35% where that proves to be justified by exceptional market conditions in particular in regulated markets where certain transferable securities and money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

f) Companies which are included in the same group for the purposes of consolidated accounts (as defined in accordance with Directive 2013/34/EU or in accordance with recognised international accounting rules) are considered as a single body or issuer for the purpose of calculating the limits contained in this section.
Each Sub-Fund may invest in aggregate up to 20% of its Net Assets in Transferable Securities and Money Market Instruments within the same group.

Notwithstanding the ceilings set forth above, each Sub-Fund is authorised to invest in accordance with the principle of risk spreading, up to 100% of its Net Assets in transferable securities and Money Market Instruments issued or guaranteed by a Member State of the European Union, by its local authorities, a non-Member State of the European Union (e.g. any country member of the OECD) or public international bodies of which one or more Member State(s) of the European Union are members provided that:

a) such securities are part of at least six different issues, and

b) the securities from any one issue do not account for more than 30% of the Net Assets of such Sub-Fund.

Such authorisation will be granted should the shareholders have a protection equivalent to that of shareholders in UCITS complying with the limits laid down in 3) above.

4) **Limitations on Control**

The Company may:

a) not acquire more than 10% of the debt securities of any single issuing body;
b) not acquire more than 10% of the non-voting shares of any single issuing body;
c) not acquire more than 10% of the Money Market Instruments of any single issuing body;
d) not acquire more than 25% of the units of any single collective investment undertaking.

These four above limits are applying to the Company as a whole.
The Company may not acquire any shares carrying voting rights which would enable the Company to take legal or management control or to exercise significant influence over the management of the issuing body.

5) **The ceilings set forth under 4) above do not apply in respect of**

a) transferable securities and Money market instruments issued or guaranteed by a Member State of the European Union or by its local authorities;
b) transferable securities and Money market instruments issued or guaranteed by any other State which is not a Member State of the European Union;
c) transferable securities and Money market instruments issued by a public international body of which one or more Member State(s) of the European Union is/are member(s);
d) shares held by UCITS in the capital of a company which is incorporated under or organised pursuant to the laws of a State which is not a Member State of the European Union provided that (i) such company invests its assets principally in securities issued by issuers of the State, (ii) pursuant to the law of that State a participation by the relevant Sub-Fund in the equity of such vehicle constitutes the only possible way to purchase securities of issuers of that State, and (iii) such vehicle observes in its investments policy the restrictions set forth in paragraph 3) above as well as in B. a) hereafter;
e) shares held by the Company in the capital of subsidiaries carrying on exclusively the business of management, advice or marketing of the Company in the country/state where the subsidiary is located, regarding the repurchase of units/shares requested by the unit holders/shareholders.

The investment restrictions listed above and in B. a) hereafter apply at the time of purchase of the relevant investments. If these limits are exceeded with respect to a Sub-Fund for reasons beyond the control of the Sub-Fund or when exercising subscription rights, the Sub-Fund shall adopt as a priority objective for the sales transactions of the relevant Sub-Fund the remedying of that situation, taking due account of the interests of the shareholders.

While ensuring observance of the principle of risk-spreading, the Company may derogate from limitations 3) to 5) above and in B. a) hereafter for a period of six months following the date of its inscription to the Luxembourg official list of UCI's.
If the limits referred from 3) to 5) above and in B. a) hereafter are exceeded for reasons beyond the control of the Company or as the exercise of subscription rights, the Company must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the best interest of the Shareholders.

B. INVESTMENT IN UCITS AND OTHER UCIs

a) Any Sub-Fund of the Company may acquire units/shares of other UCITS and/or other UCIs referred to in paragraph **A.** 1) e) above, provided that no more than 10% of such Sub-Fund's Net Assets be invested in aggregate in units/shares of such other UCITS or other UCI, except for the Sub-Fund Lyxor Alpha plus Fund.

For the purpose of the application of the investment limit, each sub-fund of a UCITS and/or a UCI with an umbrella structure is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various sub-funds vis-à-vis third parties is ensured.

When the Company invests in the units of other UCITS and/or other UCIs linked to the Company by common management or control, or by a substantial direct or indirect holding, or managed by a management company linked to the Company, no subscription or redemption fees may be charged to the Company on account of

its investment in the units of such other UCITS and/or UCIs.

In respect of a Sub-Fund's investments in UCITS and other UCIs linked to the Company as described in the preceding paragraph, the total management fee (including any performance fee, if any) charged to such Sub-Fund and each of the UCITS or other UCIs concerned shall not exceed **3%** of the relevant Net Assets of the Sub-Funds under management. The Company will indicate in its annual report the total management fees (including any performance fee, if any) charged both to the relevant Sub-Fund and to the UCITS and other UCIs in which that Sub-Fund has invested during the relevant period.

The Company may acquire no more than 25% of the units of the same UCITS and/or other UCI. This limit may be disregarded at the time of acquisition if at that time the net amount of the units in issue cannot be calculated. In case of a UCITS or other UCI with multiple sub-funds, this restriction is applicable by reference to all units issued by the UCITS/UCI concerned, all sub-funds combined.

The underlying investments held by the UCITS or other UCIs in which the Company invests do not have to be considered for the purpose of the investment restrictions set forth under **A** above.

C. INVESTMENT IN OTHER ASSETS

a) Subject to the fact that the Articles of Incorporation provide for this type of investment, a Sub-Fund may act as a feeder fund (the "Feeder") of a UCITS or of a compartment of such UCITS (the "Master"), which shall neither itself be a feeder fund nor hold units/shares of a feeder fund. In such a case the Feeder shall invest at least 85% of its assets in shares/units of the Master.

The Feeder may not invest more than 15% of its assets in one or more of the following:

- ancillary liquid assets in accordance with Article 41 (2), second paragraph of the 2010 Law;
- financial derivative instruments, which may be used only for hedging purposes, in accordance with Article 41 (1) g) and Article 42 (2) and (3) of the 2010 Law;
- movable and immovable property which is essential for the direct pursuit of the Company's business.

b) Subject to the fact that the Articles of Incorporation provide for this type of investment, any Sub-Fund may invest in and acquire securities issued by one or several other Sub-Funds of the Company (the "Target Sub-Fund(s)"), under the following conditions:

- the Target Sub-Fund does not, in turn, invest in the Sub-Fund invested in the Target Sub-Fund;
- not more than 10 % of the assets of the Target Sub-Fund may be invested in aggregate in shares of other Target Sub-Funds of the Company;
- the voting rights linked to the securities of the Target Sub-Fund are suspended during the period of investment;
- in any event, for as long as these securities are held by the Company, their value will not be taken into consideration for the calculation of the Net Asset Value for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law; and
- there is no duplication of management/subscription or repurchase fees between those at the level of the Sub-Fund having invested in the Target Sub-Fund and those of the Target Sub-Fund.

c) The Company will not make investments in precious metals or certificates representing them.

d) The Company may not enter into transactions involving commodities or commodity contracts, except that the Company may employ techniques and instruments relating to transferable securities set out in Appendix B- *Investment Techniques*. For the avoidance of doubt, OTC total return swaps in relation to eligible Commodities financial indices are permitted.

e) The Company will not purchase or sell real estate or any option, right or interest therein, provided the Company may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.

However, the Company may acquire movable and immovable property which is essential for the direct pursuit of its activity.

f) The Company may not carry out uncovered sales of transferable securities, Money Market

Instruments or other financial instruments referred to above which are not fully paid.

g) The Company will not grant loans or act as guarantor on behalf of third parties. This limitation will not prevent the Company from acquiring Transferable Securities, Money Market Instruments or other financial instruments referred to 1) above.

h) The Company will not mortgage, pledge, hypothecate or otherwise encumber as security for indebtedness any securities held for the account of any Sub-Fund, except as may be necessary in connection with the borrowings mentioned in g) above, and then such mortgaging, pledging, or hypothecating may not exceed 10% of the Net Assets value of each Sub-Fund. In connection with swap transactions, option and forward exchange transactions or futures transactions the deposit of securities or other assets in a separate account shall not be considered a mortgage, pledge or hypothecation for this purpose.

i) The Company will not underwrite or sub-underwrite securities of other issuers.

D. BORROWING TRANSACTIONS

The Directors are empowered to exercise all of the borrowing powers of any Sub-Fund, subject to any limitations under the Appendix A - *Investment Restrictions*, and to charge the assets of the relevant Sub-Fund as security for any such borrowings.

A Sub-Fund may not borrow money, grant loans or act as guarantor on behalf of third parties, except that (i) foreign currency may be acquired by means of a back-to-back loan (i.e. borrowing one currency against the deposit or an equivalent amount of another currency), provided that where foreign currency borrowings exceed the value of the back-to-back deposit, any excess shall be regarded as borrowings and is therefore aggregated with other borrowings for the purposes of the 10% limit referred to below; and (ii) a Sub-Fund may incur temporary borrowings in an amount not exceeding 10% of its Net Assets. Repurchase agreements where a Sub-Fund acts as seller of securities (see the Appendix B - *Investment Techniques*) are treated as borrowings for these purposes and accordingly the aggregate amount of outstanding borrowings and repurchase agreements may not exceed 10% of the Net Assets of a Sub-Fund.

E. GLOBAL EXPOSURE AND RISK MANAGEMENT

Each Sub-Fund shall ensure that its global exposure relating to derivative instruments does not exceed the total Net Asset Value of its portfolio.

The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions. This shall also apply to the following paragraphs.

Each Sub-Fund may invest, according to its investment policy and within the limit laid down in this Appendix, in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in this Appendix.

When a Sub-Fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in this Appendix.

When a Transferable Security or Money Market Instrument, both as defined below, embeds a derivative, the latter must be taken into account when complying with the requirements of this Section.

The Board of Directors has the right to determine at any time in the interest of the Shareholders, other investment restrictions to the extent that those restrictions are necessary to comply with the laws and regulations of countries where Shares of the Company are offered or sold.

In accordance with the above *Investment Restrictions*, each Sub-Fund may employ techniques and instruments relating to transferable securities providing that these techniques and instruments are used for the purpose of efficient portfolio management. A Sub-Fund may also employ techniques and instruments intended to provide protection against foreign exchange risks in the context of the management of the assets and liabilities of the Sub-Fund (see below).

In accordance with the 2010 Law and the applicable regulations, in particular Circular CSSF 11/512, the Management Company uses for each Sub-Fund a risk-management process which enables it to assess the exposure of each Sub-Fund to market, liquidity and counterparty risks, and to all other risks, including operational risks, which are material to that Sub-Fund.

As part of the risk management process, the Management Company uses the commitment approach to monitor and measure the global exposure for some of the Sub-Funds, as specified in the relevant Sub-Funds' annexes.

This approach measures the global exposure related to positions on financial derivative instruments ("FDIs") and, where relevant, to other efficient portfolio management techniques, under consideration of netting and hedging effects (if used) which may not exceed the total net value of the portfolio of the relevant Sub-Fund.

For other Sub-Funds, the global exposure is measured and controlled by the absolute Value at Risk ("VaR") approach or the relative VaR, as specified in the relevant Sub-Funds' annexes.

In financial mathematics and financial risk management, the VaR is a widely used risk measure of the risk of loss on a specific portfolio of financial assets. For a given investment portfolio, probability and time horizon, VaR is defined as a threshold value such that the probability that the mark-to-market loss on the investment portfolio over the given time horizon exceeds this value (assuming normal markets and no trading in the investment portfolio) is the given probability level.

APPENDIX B - INVESTMENT TECHNIQUES

1. Techniques and Instruments Relating to Transferable Securities

For the purpose of hedging and efficient portfolio management, the Sub-Funds may undertake transactions relating to financial futures, (i.e. interest rate, currency, stock index and futures on Transferable Securities), warrants and options contracts traded on a Regulated Market, transactions relating to OTC options, swaps and swaptions with highly rated financial institutions specialising in this type of transaction and participating actively in the relevant OTC market.

(a) Options on Transferable Securities

A Sub-Fund may buy and sell put and call options on transferable securities. At the conclusion as well as during the existence of contracts for the sale of call options on securities, a Sub-Fund will hold either the underlying securities, matching call options, or other instruments (such as warrants) that provide sufficient coverage of the commitments resulting from these transactions. The underlying securities related to written call options may not be disposed of as long as these options are outstanding unless such options are covered by matching options or by other instruments that can be used for that purpose. The same applies to equivalent call options or other instruments which a Sub-Fund must hold where it does not have the underlying securities at the time of the writing of such options.

A Sub-Fund may not write uncovered call options on transferable securities. As a derogation from this rule, a Sub-Fund may write call options on securities that it does not hold at inception of the transaction, if the aggregate exercise price of such uncovered written call options does not exceed 25% of the Net Assets of the Sub-Fund and the Sub-Fund is, at any time, in a position to cover the open position resulting from such transactions.

Where a put option is sold, the Sub-Fund's corresponding portfolio must be covered for the full duration of the contract by adequate liquid assets that would meet the exercise value of the contract, should the option be exercised by the counterpart.

(b) Hedging through Stock Market Index Futures, Warrants and Options

As a global hedge against the risk of unfavourable stock market movements, a Sub-Fund may sell futures contracts on stock market indices, and may also sell call options, buy put options or transact in warrants on stock market indices, provided there is sufficient correlation between the composition of the index used and the Sub-Fund's corresponding portfolio. The total commitment resulting from such futures, warrants and option contracts on stock market indices may not exceed the global valuation of securities held by the relevant Sub-Fund's corresponding portfolio in the market corresponding to each index.

(c) Hedging through Interest Rate Futures, Options, Warrants, Swaps and Swaptions

As a global hedge against interest rate fluctuations, a Sub-Fund may sell interest rate futures contracts and may also sell call options, buy put options or transact in warrants on interest rates or enter into OTC interest rates swaps or swaptions with highly rated financial institutions specialising in this type of instruments. The total commitment resulting from such futures, swaps, swaptions, warrants and option contracts on interest rates may not exceed the total market value of the assets to be hedged held by the Sub-Fund in the currency corresponding to these contracts.

(d) Futures, Warrants and Options on Other Financial Instruments for a Purpose Other than Hedging

As a measure towards achieving a fully invested portfolio and retaining sufficient liquidity, a Sub-Fund may buy or sell futures, warrants and options contracts on financial instruments (other than transferable securities or currency contracts), such as instruments based on stock market indices and interest rates, provided that these are in line with the stated investment objective and policy of the corresponding Sub-Fund and the total commitment arising from these transactions together with the total commitment arising from the sale of call and put options on transferable securities at no time exceeds the Net Asset Value of the relevant Sub-Fund.

With regard to the "total commitment" referred to in the preceding paragraph, the call options written by the Sub-Fund on transferable securities for which it has adequate cover do not enter in the calculation of the total commitment. The commitment relating to transactions other than options on transferable securities shall be defined as follows:

- the commitment arising from futures contracts is deemed equal to the value of the

underlying net positions payable on those contracts which relate to identical financial instruments (after setting off all sale positions against purchase positions), without taking into account the respective maturity dates, and
- the commitment deriving from options purchased and written as well as warrants purchased and sold is equal to the aggregate of the exercise (striking) prices of net uncovered sales positions which relate to single underlying assets without taking into account respective maturity dates.

The aggregate acquisition prices (in terms of premiums paid) of all options on transferable securities purchased by the Sub-Fund together with options acquired for purposes other than hedging (see above) may not exceed 15% of the Net Assets of the relevant Sub-Fund.

Each Sub-Fund may also buy and sell futures on transferable securities. The limits applicable to this investment are the ones described above under the point *1) Techniques and Instruments relating to Transferable Securities.*

(e) OTC total return swaps

In order to achieve the investment objective of the Sub-Funds replicating financial indices via an Indirect Replication methodology, the Company may, on behalf of the Sub-Funds, enter into total return swaps entered into by private agreement (OTC) with highly rated financial institutions specialising in this type of transaction and participating actively in the relevant OTC market.

A Sub-Fund is exposed to the risk of bankruptcy, settlement default or any other type of default by the counterparty of the OTC total return swaps. In line with UCITS guidelines, the counterparty risk (whether the counterparty is Société Générale or another third party), cannot exceed 10% of the considered Sub-Fund's total assets, by counterparty.

In accordance with its best execution policy, the Management Company considers that Société Générale is the counterparty that generally obtains the best possible execution conditions for these OTC swaps. Accordingly, these financial derivative instruments may be traded via Société Générale without seeking a competitive bid from another counterparty.

(f) Swaps for the purpose of hedging and efficient portfolio management

A swap is a contract (typically with a bank or a brokerage firm) to exchange two streams of payment (for example, an exchange of floating rate payments for fixed payments). A Sub-Fund may enter into swap contracts under the following restrictions:

- each of these swap contracts shall be entered into with first class financial institutions subject to prudential supervision and belonging to the categories of counterparties approved by the CSSF, that specialize in these types of transactions; and

- all such permitted swap transactions must be executed on the basis of industry accepted documentation/standardized documentation, such as the ISDA Master Agreement.

Subject to the investment restrictions, the Sub-Funds may also enter performance swaps or total rate of return swaps (" TRORS"), are contracts in which one party receives interest payments on a reference asset plus any capital gains and losses over the payment period, while the other receives a specified fixed or floating cash flow unrelated to the credit worthiness of the reference asset, especially where the payments are based on the same notional amount. The reference asset may be any asset, index, or basket of assets.

The performance swap or TRORS, then, allow one party to derive multiple economic benefit of owning an asset without putting that asset on its balance sheet, and allow the other (which does retain that asset on its balance sheet) to buy protection against loss in its value."

Under no circumstances shall these operations cause a Sub-Fund to diverge from its investment objectives as laid down under "Investment Objective" and "Investment Policy" of each Sub-Fund.

(g) Credit Default Swaps

The Management Company may also use credit default swaps (**"CDS"**). The counterparty in these cases must be a prime financial institution that is specialising in this type of transaction. Both the issuer and the underlying borrower must always follow the investment policy described in this issue prospectus.

When using CDS, the counterparty pays the opposite a premium in exchange for a compensatory payment if an agreed credit event (e.g. a default in interest payments) occurs in the underlying reference unit (e.g. bonds, notes) to one of the reference parties.

The periodic payment of premium is normally expressed in basis points per nominal value. In principle, premiums are paid periodically for a default hedge. Short-term transactions may, however, be set up beforehand.

The counterparties are normally referred to as insurance buyers (who pay the premium) and insurance sellers (who pay the compensatory payment). Depending on the terms of the agreement, the insurance buyer delivers the reference asset (or other agreed asset, which either ranks equally or as a subordinated basis in terms of payment) at par. Alternatively, the settlement may also be in cash.

If the objective of the investor is to transfer or acquire a credit risk on the derivatives market, the default swap is the most suitable and liquid instrument.

A credit default swap is a short-term fixed-income investment which is no different to a bond in terms of credit risk. If a reference party is no longer able to meet its payment obligations, the insurance buyer delivers to the insurance seller (investor) a Eurobond, as specified in the contractual terms, to replace the repayment amount.

In the event of a default, in principle, all the bonds of an issuer of the reference asset are traded at the same prices as they include a cross default clause and fall due for direct payment. Accordingly, the investor's position is the same regardless of whether he has invested in a government bond or in a default swap.

The advantages of a credit default swap are:

- they are sometimes traded with higher spreads (the difference between the buying and selling price) than bonds due to factors related to supply and demand or the credit spread curve of the country;
- frequently they offer the only opportunity to invest in fixed-income securities with very short maturities.

The additional risks of credit default swaps are:

- additional counterparty risk.

For liquidity reasons or the fact that the market assumes that certain bonds are treated differently in the event of default, it is possible that not all bonds in default will be traded at the same dollar price. This aspect is reflected directly in the price of the credit default swap.

Investors benefit from this type of transaction as the Sub-Fund can thereby achieve better diversification of country risk and can make very short-term investments under attractive terms.

The obligation from CDS can be defined as follows:

- the obligations correspond to the net selling position of the underlying reference unit or asset (nominal value of reference + accrued interest + premiums paid);
- the obligations from CDS should not exceed 20% of the sub-fund's Net Assets;
- the total obligations from the "cds" along with the obligations arising from the other transactions should not exceed the Net Assets of the Sub-Fund.

(h) efficient portfolio management techniques

The Company may employ techniques and instruments relating to transferable securities and money market instruments provided that such techniques and instruments are used for the purposes of efficient portfolio management within the meaning of, and under the conditions set out in, applicable laws, regulations and circulars issued by the CSSF from time to time. In particular, those techniques and instruments should not result in a change of the declared investment objective of the Sub-Fund or add substantial supplementary risks in comparison to the stated risk profile of the Sub-Fund.

The risk exposure to a counterparty generated through efficient portfolio management techniques and OTC financial derivatives must be combined when calculating counterparty risk limits laid down under article 52 of the 2009 Directive.

In accordance with its best execution policy, the Management Company considers that Société Générale may be the counterparty that generally obtains the best possible execution conditions for these efficient portfolio management techniques and OTC financial derivatives. Accordingly, these efficient portfolio management techniques and financial derivative instruments may be traded via Société Générale without seeking a competitive bid from another counterparty.

All revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs and fees, will be returned to the considered Sub-Fund. In particular, fees and cost may be paid to agents of the Company, to the Management Company, and to other intermediaries providing services in connection with efficient portfolio management techniques as normal compensation of their services. Such fees may be calculated as a percentage of gross revenues earned by the Sub-Fund through the use of such techniques. Information on direct and indirect operational costs and fees that may be incurred in this respect as well as the identity of the entities to which such costs and fees are paid – as well as any relationship they may have with the Depositary or Management Company – will be available in the annual report of the Company.
For certain Sub-Funds, the Company and the Management Company have appointed an agent. The agent has been authorised (i) to enter into transactions including but not limited to Global Master Securities Lending Agreements ("GMSLA"), and /or any other internationally recognized master agreement) on behalf of the Company and (ii) to invest any cash received/held on behalf of the Company as collateral pursuant to such transactions, in accordance with and within the limits set forth in the agency agreement in connection with any efficient portfolio management techniques, the rules set out in this Prospectus and the applicable regulations. Any income generated by such transactions (reduced by any applicable direct or indirect operational costs and fees arising there from and paid to the agent and, as the case may be, to the Management Company) will be payable to the relevant Sub-Fund. As these direct and indirect operational costs do not increase the running costs of the relevant Sub-Fund, they have been excluded from the ongoing charges. Unless otherwise specified in the relevant Sub-Fund Annex and to the extent a Sub-Fund undertakes efficient portfolio management techniques, the agent and the Management Company shall receive a fee for the services provided in this respect.

1) Securities lending transaction

The Company may more specifically enter into securities lending transactions provided that the following rules are complied with in addition to the abovementioned conditions:

- the borrower in a securities lending transaction must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law;
- the Company may only lend securities to a borrower either directly or through a standardised system organised by a recognised clearing institution or through a lending system organised by a financial institution subject to prudential supervision rules considered by the CSSF as equivalent to those provided by EU law and specialised in this type of transaction;
- the Company may only enter into securities lending transactions provided that it is entitled at any time under the terms of the agreement to request the return of the securities lent or to terminate the agreement.

The annual report of the Company contains if applicable the following details:

- the exposure obtained through efficient portfolio management techniques;
- the identity of the counterparty(ies) to these efficient portfolio management techniques;
- the type and amount of collateral received by the UCITS to reduce counterparty exposure; and
- the revenues arising from efficient portfolio management techniques for the entire reporting period together with the direct and indirect operational costs and fees incurred.

2) Repurchase and reverse repurchase transactions

The Company may enter into repurchase agreements that consist of forward transactions at the maturity of which the Company (seller) has the obligation to repurchase the assets sold and the counterparty (buyer) the obligation to return the assets purchased under the transactions. The Company may further enter into reverse repurchase agreements that consist of forward transactions at the maturity of which the counterparty (seller) has the obligation to repurchase the asset sold and the Company (buyer) the obligation to return the assets purchased under the transactions.

The Company's involvement in such transactions is, however, subject to the additional following rules:

- the counterparty to these transactions must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law;

- the Company may only enter into reverse repurchase agreement and/or repurchase agreement transactions provided that it is able at any time (a) to recall the full amount of cash in a reverse repurchase agreement or any securities subject to a repurchase agreement or (b) to terminate the agreement in accordance with applicable regulations. However, fixed-term transactions that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Company;
- management of the Collateral for efficient portfolio management technique and financial derivatives instruments.

In the context of OTC financial derivatives transactions and efficient portfolio management techniques, the Company may receive collateral with a view to reduce its counterparty risk. This section sets out the collateral policy applied by the Company in such case. All assets received by the Company in the context of efficient portfolio management techniques shall be considered as collateral for the purposes of this section.

Eligible collateral:

Collateral received by the Company may be used to reduce its counterparty risk exposure if it complies with the criteria set out in applicable laws, regulations and circulars issued by the CSSF from time to time notably in terms of liquidity, valuation, issuer credit quality, correlation, risks linked to the management of collateral and enforceability. In particular, collateral should comply with the following conditions:

(a) any collateral received other than cash should be of high quality, highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation;

(b) it should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;

(c) it should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;

(d) it should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure of 20% of the Sub-Fund's Net Asset Value to any single issuer on an aggregate basis, taking into account all collateral received;

(e) it should be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.

Notwithstanding the condition specified in (d) above, the Sub-Fund may accept collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such collateral is issued by (i) a Member State, (ii) one or more of its local authorities, (iii) a third country, or (iv) a public international body to which one or more Member States belong and;
- such collateral consists of at least six different issues, but collateral from any single issue shall not account for more than 30 % of the Sub-Fund's net assets.

Subject to the abovementioned conditions, collateral received by the Company may consist of:

(i) cash and cash equivalents, including short-term bank certificates and Money market instruments;

(ii) bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or worldwide scope or by any country as long as the conditions (a) to (e) set out above are fully complied with;

(iii) shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;

(iv) shares or units issued by UCITS investing mainly in bonds/shares mentioned in (v) and (vi) below;

(v) bonds issued or guaranteed by first class issuers offering adequate liquidity;

(vi) shares admitted to or dealt in on a regulated market of a Member State of the

EU or on a stock exchange of a Member State of the OECD or the stock exchange of any country as long as the conditions (a) to (e) set out above are fully complied with, on the condition that these shares are included in a main index.

Level of collateral

The Company will determine the required level of collateral for OTC financial derivatives transactions and efficient portfolio management techniques by reference to the applicable counterparty risk limits set out in this Prospectus and taking into account the nature and characteristics of transactions, the creditworthiness and identity of counterparties and prevailing market conditions.

The securities acquired by the Sub-Fund as Swap collateral and/or under transactions including efficient portfolio management techniques must be issued by an entity that is independent from the counterparty and which is not expected to display a high correlation with the performance of the counterparty.

Haircut policy

based on criteria, including, but not limited to:
- nature of the security
- maturity of the security (when applicable)
- the security issuer rating (when applicable)

The following margin requirements for Swap collateral and/or collateral under transactions including efficient portfolio management techniques are applied by the Management Company (the Management Company reserves the right to vary this policy at any time in which case this Prospectus will be updated accordingly):

Collateral Type	Margin
(i)	100% - 102%
(ii)	100% - 110%
(iii)	100% - 102%
(iv)	100% - 135%
(v)	100% - 115%
(vi)	100% - 135%

Collateral types denominated in a currency other than the currency of the Sub-Fund may be subject to an additional haircut.

Reinvestment of collateral

Non-cash collateral received by the Company may not be sold, re-invested or pledged.

Cash collateral received by the Company can only be:

(a) placed on deposit with credit institutions which have their registered office in an EU Member State or, if their registered office is located in a third-country, are subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;

(b) invested in high-quality government bonds;

(c) used for the purpose of reverse repo transactions provided the transactions are with credit institutions subject to prudential supervision and the Company is able to recall at any time the full amount of cash on accrued basis; and/or

(d) invested in short-term money market funds as defined in the Guidelines on a Common Definition of European Money Market Funds.

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral as set out above.

The Sub-Fund may incur a loss in reinvesting the cash collateral it receives. Such a loss may arise due to a decline in the value of the investment made with cash collateral received. A decline in the value of such investment of the cash collateral would reduce the amount of collateral available to be returned by the Sub-Fund to the counterparty at the conclusion of the transaction. The Sub-Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Sub-Fund.

2. Techniques and Instruments on currencies for purposes other than hedging

Each Sub-Fund of the Company may, for purposes other than hedging, purchase and sell futures contracts and options on currencies, enter into swap agreements on currencies and forward exchange contracts. These techniques and instruments on currencies for purposes other

than hedging must meet in each Sub-Fund the following conditions:

a) they may only be used in the sole and exclusive interest of the Shareholders for the purpose of offering an interesting return versus the risks incurred,
b) the total of net commitments (these being calculated per currency) arising from the techniques used for purposes other than hedging may not, in any case, exceed the net assets of each Sub-Fund.

3. Techniques and Instruments to protect against Exchange Risks

For the purpose of protecting against currency fluctuation, the Sub-Funds may undertake transactions relating to financial futures, warrants and options contracts traded on a Regulated Market. Alternatively, the Sub-Funds may undertake transactions relating to OTC options, swaps and swaptions with highly rated financial institutions specialising in this type of transaction and participating actively in the relevant OTC market.

In order to hedge foreign exchange risks, a Sub-Fund may have outstanding commitments in currency futures and/or sell call options, purchase put options or transact in warrants with respect to currencies, or enter into currency forward contracts or currency swaps. The hedging objective of the transactions referred to above presupposes the existence of a direct relationship between the contemplated transactions and the assets or liabilities to be hedged and implies that, in principle, transactions in a given currency may not exceed the valuation of the aggregate assets denominated in that currency nor may they, as regards their duration, exceed the period during which such assets are held.

4. Other instruments

(a) Warrants

Warrants shall be considered as transferable securities if they give the investor the right to acquire newly issued or to be issued transferable securities. The Sub-Funds, however, may not invest in warrants where the underlying is gold, oil or other commodities.

The Sub-Funds may invest in warrants based on stock exchange indices for the purpose of efficient portfolio management.

(b) Rules 144 A Securities

The Sub-Funds may invest in so-called Rule 144A securities which are securities that are not required to be registered for resale in the United States under an exemption pursuant to Section 144A of the 1933 Act ("**Rule 144A Securities**"), but can be sold in the United States to certain institutional buyers. A Sub-Fund may invest in Rule 144A Securities, provided that such securities are issued with registration rights pursuant to which such securities may be registered under the 1933 Act and traded on the US OTC Fixed Income Securities market. Such securities shall be considered as newly issued Transferable Securities within the meaning of point A. 1) c) under "*2. Investment Powers and Restrictions"* hereabove.

In the event that any such securities are not registered under the 1933 Act within one year of issue, such securities shall be considered as falling under point A. 2) under "*Appendix A Investment Restrictions"* and consequently subject to the 10% limit of the Net Assets of the Sub-Fund.

(c) Structured Notes

Subject to any limitations in its investment objective and policy and to the *Investment Restrictions* outlined above, each Sub-Fund may invest in structured notes, comprising listed government bonds, medium-term notes, certificates or other similar instruments issued by prime rated issuers where the respective coupon and/or redemption amount has been modified (or structured), by means of a financial instrument. These notes are valued by brokers with reference to the revised discounted future cash flows of the underlying assets. The investment restrictions are applying on both the issuer of the notes as well as on the underlying of such notes.

APPENDIX C - SPECIAL RISK CONSIDERATIONS AND RISK FACTORS

Investment in an Investment Company with Variable Capital such as the Company carries with it a degree of risk including, but not limited to, the risks referred to below. **The investment risks described below are not purported to be exhaustive and potential investors should review this Prospectus in its entirety, and consult with their professional advisors, before making an application for Shares in any Sub-Fund.** Changes in rates of currency exchange between the value of the currency of an investor's domicile and of the currency of the Shares may cause the value of Shares to go up or down in terms of the currency of an investor's domicile. **Shareholders who are subject to an initial sales commission payable at the time of the subscription as described under the chapter entitled *Investing in the Company*, should view their investment as medium to long-term given the difference between the subscription price and the redemption price for their Shares.**

Equity Risk

The price of equities may go down as well as up, and reflect company and macro risk factors. Equities are more volatile than fixed income markets where revenues are predictable over a certain period of time under the same macro risk conditions.

Currency Risk related to Classes denominated in a currency other than (i) the reference currency of one index or (ii) the reference currency of assets to which a Sub-fund is exposed.

Share Classes denominated in a currency other than (i) the reference currency of one index for Sub-Funds which have the investment objective to replicate an index or (ii) the reference currency of assets in which a Sub-Fund invests or is exposed are exposed to a currency risk. As a result, due to exchange rate fluctuations, the net asset value of such Share Classes could decrease while the index value or securities increases.

Currency Hedge Risk applicable to the UCITS ETF Daily Hedged D, UCITS ETF Daily Hedged C, UCITS ETF Monthly Hedged D, UCITS ETF Monthly Hedged C, Monthly Hedged D, Monthly Hedged C.

In order to hedge the currency risk for these share classes, each Sub-Fund may use a hedging strategy which attempts to minimize the impact of changes in value of the relevant share class currency against the currencies of each benchmark index component. However, the hedging strategy used by a Sub-Fund remains imperfect due to the monthly (or daily) rebalancing frequency and instruments used; the Net Asset Value of the relevant share classes can then be impacted by market upwards and downwards. Moreover, the hedging cost can negatively impact the Net Asset Value of the concerned share classes.

Low Diversification Risk

Investors of one Sub-Fund may be exposed to a region, a sector or a strategy, which may provide a lesser diversification of assets compared to a broader strategy which will be exposed to various regions, sectors and strategies. Hence, exposure to concentrated region, sector or strategy may result in higher volatility compared to diversified markets. However, UCITS diversification rules will still apply to the underlyings of each Sub-Fund.

Capital at Risk

The initial capital invested is not guaranteed. As a consequence, investor's capital is at risk and the amount originally invested may not be wholly or partially recovered.

Sub-Fund Liquidity Risk

The Sub-Fund's liquidity and/or value may be negatively affected if, when the Sub-Fund (or its financial derivatives instrument counterparty) is rebalancing its exposure, the trading markets of such exposure are limited, closed, or subject to wide bid-offer spreads. An inability to execute trades due to low trading volumes may also affect the process of subscriptions, conversions and redemptions of Shares.

Liquidity Risk on Secondary Market

Investors should consult section V. "Secondary Market for UCITS ETF Share Class/Sub-Fund" of the main part of this prospectus.

<u>Risk of using financial derivative instruments</u>

A Sub-Fund's use of Financial Derivative Instruments ("FDI") such as futures, options, warrants, forwards, swaps and swaptions involves increased risks. Some FDI may require an initial amount to establish a position in such derivative instrument which is much smaller than the exposure obtained through this derivative, so that the transaction is "leveraged" or "geared". A

relatively small movement of market prices may then result in a potentially substantial impact, which can prove beneficial or detrimental to the Sub-Fund. However, unless otherwise specified in the relevant Sub-Fund documentation, leveraged derivatives are not used to create leverage at the Sub-Fund level.

FDI are highly volatile instruments and their market values may be subject to wide fluctuations. If the FDI do not work as anticipated, the Sub-Fund could suffer greater losses than if the Sub-Fund had not used the FDI.

Instruments traded in over-the-counter markets may trade in smaller volumes and their price may be more volatile than those of instruments traded in regulated markets.

For the avoidance of doubt, each reference to the « Index » in paragraphs below only applies to Sub-Funds which replicate an index.

Each Sub-Fund may enter into over-the-counter ("OTC") FDI (cf. the section INVESTMENT OBJECTIVES AND POLICIES of the part I of this Prospectus). Trading in those FDI may imply a range of risks including (but not limited to) counterparty risk, hedging disruption, Index disruption, taxation risk, regulatory risk, operational risk, and liquidity risk. These risks can materially affect a FDI and could lead to an adjustment or even the early termination of the FDI transaction.

Counterparty Risk

A Sub-Fund may be exposed to a counterparty risk resulting from the use of over-the-counter FDI or efficient portfolio management techniques. The Sub-Fund may be exposed to the risk of bankruptcy, settlement default or any other type of default of the counterparty related to any trading transaction or agreement entered into by the Sub-Fund.

In case of default of the counterparty, the relevant transaction or agreement can be early terminated. With respect to OTC FDI and/or efficient portfolio management techniques, the Sub-Fund will then endeavour its best efforts to reach its investment objective by entering into, if necessary, another equivalent transaction or agreement, in the market conditions which will prevail during the occurrence of such event. The realisation of this risk could in particular have impacts on the capacity of the Sub-Fund to reach its investment objective.

When Société Générale is used as counterparty of a FDI by a Sub-Fund, conflicts of interests may arise between the Management Company and the counterparty. The Management Company supervises these risks of conflicts of interests by the implementation of procedures intended to identify them, to limit them and to assure their fair resolution if necessary.

Risk that the Sub-Fund's investment objective is only partially achieved

There is no guarantee that the Sub-Fund's Investment Objective will be achieved. More specifically for Sub-Funds which replicate an index and for Sub-Funds that do not replicate an index, no asset or financial instrument will allow automatic achievement of the Sub-Fund's objective, especially if one or more of the following risks occur:

For the avoidance of doubt, each reference to the « index » in paragraphs (a) to (g) below only apply to Sub-Funds which replicate an index.

a) Risk due to a shift in tax policy

Any change in the taxation legislation in any jurisdiction where a Sub-Fund is registered for sale or cross-listed, could affect the tax treatment of the Shareholders of each Sub-Fund. In the case of such an event, the Sub-Fund's Management Company shall not be liable to any investor for any payment required to be made by the Company or the corresponding Sub-Fund to a fiscal authority.

b) Risk due to a shift in the underlyings' tax policy

Any change in the taxation legislation in any jurisdiction of the underlyings of one Sub-Fund could affect the tax treatment this Sub-Fund. As a result, in case of a discrepancy between the estimated and effective tax treatment applied to this Sub-Fund and/or to the Sub-Fund's counterparty to the FDI, the net asset value of the Sub-Fund may be affected.

c) Regulatory Risk affecting the Sub-Fund

In the event of a change in the regulatory regime in any jurisdiction where the Sub-Fund is registered for sale or cross-listed, the process of subscriptions, conversions and redemptions of Shares may be affected.

d) Regulatory Risk affecting the underlyings of the Sub-Fund

In the event of a change in the regulatory regime in any jurisdiction of the underlyings of the Sub-Fund, the net asset value of the Sub-Fund as

well as the process of subscriptions, conversions and redemptions of Shares may be affected.

e) Index Disruption Risk

For Sub-Funds which have the investment objective to replicate an index and in the event of an index disruption, the Company acting in accordance with applicable laws and regulations may have to suspend the calculation of the net asset value of the Sub-Fund.

If the index disruption persists, the Company will determine the appropriate measures to be carried out.

Index disruption notably covers situations where:

i) the index is deemed to be inaccurate or does not reflect actual market developments;

ii) the index is permanently cancelled by the index provider;

iii) the index provider fails to calculate and announce the index level;

iv) the index provider makes a material change in the formula for or method of calculating the Index (other than a modification prescribed in that formula or method to maintain the calculation of the index level in the event of changes in the constituent components and weightings and other routine events) which cannot be efficiently replicated with reasonable costs by the Sub-Fund,

v) one or several constituents of the index become illiquid, (i) their quotation being suspended on a regulated stock exchange, or (ii) becoming illiquid constituents for the securities negotiated over the counter (such as, for example, the bonds).

vi) the constituents of the index are impacted by transaction costs in relation to the execution, the settlement, or specific tax constraints, except if those costs or tax constraints are reflected in the performance of the index.

f) Operational Risk

In the event of an operational failure within the Management Company, or one of its representatives, investors could experience delays in the processing of subscriptions, conversions and redemptions of Shares, or other disruptions.

g) Corporate Action Risk

An unforeseen review of the corporate action policy affecting a component of the index tracked by a Sub-Fund or any securities, after an official announcement was made and priced into the Sub-Fund or into the financial derivatives entered into by the Sub-Fund, could lead to a discrepancy between the realised corporate action and the benchmark index treatment or securities.

Risks in relation to the index or the reference strategy sampling replication

Investors should be aware and understand that the index replication of the index or of the reference strategy by investing in a portfolio comprising all the components of the index or of the reference strategy might be costly and/or not be always possible or operationally practicable. In some circumstances the Sub-Fund's manager may use sampling replication methodology, in particular an optimized sampling replication strategy of the index or of the reference strategy. In doing so, the Sub-Fund's manager will attempt to replicate the index or the reference strategy either by i) investing through a selection of representative transferable securities constituting the index or the reference strategy but potentially with different weighting compare to the constituents of the index or of the reference strategy and/or ii) by investing in a portfolio of transferable securities that might not be comprised within this index or this reference strategy or other eligible assets as FDI. While the Sub-Fund will seek to track the performance of the index or of the reference strategy through an optimized sampling replication strategy of the index or of the reference strategy, there is no guarantee that the Sub-Fund will achieve perfect tracking and the Sub-Fund may potentially be subject to an increase of the tracking error risk, which is the risk that Sub-Fund return may not track exactly the return of the index or of the reference strategy, from time to time.

Risk on Investments in Emerging and Developing Markets

Depending upon the specific strategy employed by the Sub-Fund's manager, the Sub-Fund may be exposed to emerging or developing markets. The special risks associated with investing in emerging or developing market should be considered speculative. Shareholders are strongly advised to consider carefully the special risks involved in developing markets, which are greater than the usual risks of investing in foreign securities.

Economies in developing markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be affected adversely by economic conditions in the countries in which they trade.

Brokerage commissions, custodial services and other costs relating to investment in emerging markets generally are more expensive than those relating to investment in more developed markets. Lack of adequate custodial systems in some markets may prevent investment in a given country or may require a Sub-Fund to accept greater custodial risks in order to invest. In addition, such markets have different settlement and clearance procedures. In certain markets there have been times when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. The inability of the Sub-Fund to make intended securities purchases due to settlement problems could cause the Sub-Fund to miss attractive investment opportunities. Inability to dispose of a portfolio security caused by settlement problems could result either in losses to a Sub-Fund due to subsequent declines in value of the portfolio security or, if a Sub-Fund has entered into a contract to sell the security, could result in potential liability to the purchaser.

The risk also exists that an emergency situation may arise in one or more developing markets as a result of which trading of securities may cease or may be substantially curtailed and prices for a Sub-Fund's portfolio of securities in such markets may not be readily available.

Securities Lending

In relation to securities lending transactions, investors must notably be aware that (A) if the borrower of securities lent by a Sub-Fund fail to return these, there is a risk that the collateral received may be realised less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (B) in case of reinvestment of cash collateral such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility, (ii) introduce market exposures inconsistent with the objectives of the Sub-Fund, or (iii) yield a sum less than the amount of collateral to be returned; and that (C) delays in the return of securities on loans may restrict the ability of a Sub-Fund to meet delivery obligations under security sales.

Risk linked to the use of Repurchase Agreements

Repurchase agreements create the risk that the Sub-Fund will be obliged to repurchase the securities under the agreement where the market value of such securities sold by the Sub-Fund may decline below the agreed repurchase price. In the event that the buyer of securities under a repurchase agreement files for bankruptcy or proves insolvent, the Sub-Fund's use of proceeds from the agreement may be restricted pending the determination by the other party or its trustee or receiver whether to enforce the obligation to repurchase the securities.

Risk linked to the use of Reverse Repurchase Agreements

If the counterparty of a reverse repurchase agreement from whom securities have been acquired fails to honour its commitment to repurchase the security in accordance with the terms of the agreement, the relevant Sub-Fund may incur a loss to the extent that the proceeds realised on the sale of the securities are less than the repurchase price. The relevant Sub-Fund may experience both delays in liquidating the underlying securities and losses during the period while it seeks to enforce its rights to the underlying securities, whether because of inaccurate pricing of the securities, adverse market movements, a deterioration in the credit rating of issuers of the securities, or the illiquidity of the market in which the securities are traded, including reduced income during the period of enforcement and expenses in enforcing its rights.

Interest Rate Risk

A Sub-Fund that invests in bonds and other fixed income securities may decline in value if interest rates change. In general, the prices of debt securities rise when interest rates fall, and fall when interest rates rise. Longer term bonds are usually more dependent on interest rate changes.

Credit Risk

A Sub-Fund that invests in bonds and other fixed income securities, is subject to the risk that some issuers may not make payments on such securities. Furthermore, an issuer may suffer adverse changes in its financial condition that could lower the credit quality or a security,

leading to greater volatility in the price of the security and in the value of the Sub-Fund. A change in the quality rating of a bond or other security can also affect the security's liquidity and make it more difficult to sell.

Specific risks linked to investment in Structured Notes:

Credit Risk:
Credit risk is much more present than in other fixed income products as Structured Notes are generally linked to the credit risk of a portfolio of underlying issuers. This risk refers to the like hood that the Sub-Fund could lose money if an issuer is unable to meet its financial obligations, such as the payment of principal and/or interest on an instrument, or goes bankrupt. Certain Sub-Funds may invest a portion of their assets in Structured Notes which are not guaranteed by any Government of the OECD, which may make such Sub-Funds subject to substantial credit risk. This is especially true during periods of economic uncertainty or during economic downturns.

Interest Rate Risk:
This risk refers to the possibility that the value of a Sub-Fund's portfolio may fall since fixed income securities generally fall in value when interest rate rise. The longer the term of a fixed income instrument, the more sensitive it will be to fluctuations in value from interest rate changes. Changes in interest rates may have a significant effect on such Sub-Funds, because it may hold securities with long terms to maturity and structured notes.

Liquidity Risk:
This risk refers to the possibility that a Sub-Fund may lose money or to be prevented from earning capital gains if it cannot sell a security at the time and price that is most beneficial to such Sub-Fund. Because structured securities may be less liquid than other securities, the Sub-Fund may be more susceptible to liquidity risks than funds that invest in other securities.

Management Risks:
Structured Notes are usually managed by other asset managers, therefore performance of these products is highly reliant on the ability of such asset manager to achieve its own objective of performance and to maintain appropriate staff (i.e. managers specialized in credit, credit analysts) and systems.

Leverage:
Structured Notes may embed implicit leverage.

APPENDIX D - GLOSSARY OF TERMS

In this Prospectus the following words and phrases have the meanings set forth below:

Administrative Agent	means	Société Générale Bank & Trust acting as administrative, corporate and domiciliary agent of the Company on appointment by the Management Company.
Articles of Incorporation	means	The articles of incorporation of the Company, as amended from time to time.
Base Currency	means	The currency in which the Company is denominated.
Business Day	means	Any full working day when the banks are open for business, except the days where the applicable index rates are not available (these days not being Business Days). Such definition applies for all the Sub-Funds except the Sub-Funds under the "Emerging Markets Strategies" and "Diversified Strategy" categories, please refer to the table related to the investment settlement.
Calculation Day	means	With respect to any Valuation Day, the Business Day during which the Administrative Agent calculates the Net Asset Value dated as of such Valuation Day. On any such Calculation Date, the calculation of the Net Asset Value is made using the last available - as of such Valuation Date - closing prices on the markets where the securities held by the concerned Sub-Fund are negotiated. On Business Days where the index rates applicable to any Sub-Fund are not available, the Valuation Day for the Shares of such Sub-Fund shall be postponed to the first subsequent Business Day.
Class	means	Classes of Shares (the characteristics of which are set out under the *Summary Table of Shares issued by the Company*).
CSSF	means	Commission de Surveillance du Secteur Financier of Luxembourg which is the Luxembourg Supervisory Authority or its successor.
Depositary	means	Société Générale Bank & Trust, acting as depositary and paying agent of the Company on appointment by the Company.
Dealing Day	means	The Business Day on which the orders for subscription, redemption and conversion have to be received by the Registrar Agent acting on behalf of the Company.
EMTN	means	Euro Medium Term Note
Institutional Investors	means	An institutional investor within the meaning of article 174 (2) c) of the 2010 Law, as may be amended from time to time
Intermediary	means	Any Sales agent, distributor, servicing agent and/or nominee appointed to offer and sell the Shares to investors and handle the subscription, redemption, conversion or transfer requests of Shareholders.
KIID	means	The Key Investor Information Document issued in relation to each Sub-Fund or Class.
Management Company	means	Lyxor International Asset Management S.A.S.
Money market instruments	means	Instruments normally dealt in on the money market which are liquid, and have a value which can be accurately determined at any time.
OECD Countries	means	Countries that are members, from time to time, of the Organisation for Economic Co-operation and Development, including as of the date of this Prospectus, Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, South Korea, Luxembourg, Mexico, The Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Spain, Sweden, Switzerland, Turkey, United Kingdom, United States.
Prospectus	means	The prospectus of the Company, which is deemed to include the latest available annual report and, where applicable, the non-audited semi-annual report, if published since the last annual report. These reports form an integral part of this Prospectus.
Reference Currency	means	The currency in which the Sub-Funds and Classes of Shares are denominated.

Registrar Agent	means	Société Générale Bank & Trust acting as registrar agent of the Company on appointment by the Management Company.
Regulated Market	means	A market which is regulated and operates regularly is recognised and open to the public.
Share	means	A Share issue to a Shareholder in any Sub-Fund.
Shareholder	means	A person who has invested in the Company and is registered as a holder of Shares in the register of the Shareholders; institutions that are not Intermediaries shall be treated as Shareholders, except that, if they are financial institutions in a country whose anti-money laundering legislation is not equivalent to that of the Grand Duchy of Luxembourg, shall be required to provide the Registrar Agent with evidence of the identity of the beneficial owners of the Shares.
Sub-Fund	means	Each of the sub-funds of the Company corresponding to a separate portfolio of assets.
Total Fees	means	The total expenses including fees of the Administrative Agent, of the Registrar Agent, of the Depositary and of the Management Company. For avoidance of doubt, the brokerage commissions and transaction charges are excluded from the Total Fees.
Transferable security	means	(i) Shares and other securities equivalent to shares (ii) Bonds and other debt instruments Any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange.
Tracking error	means	When using an indexing strategy, tracking error quantifies the volatility of the difference between the return of the Sub-Fund and the return of the index or indices tracked.
United States	means	The United States of America, its territories and possessions, any State of the United States, and the District of Columbia.

US Person	means	(i) Any natural person resident in the United States; (ii) any partnership or corporation organised or incorporated under the laws of the United States; (iii) any estate of which any executor or administrator is a US Person; (iv) any trust of which any trustee is a US Person; (v) any agency or branch of a foreign entity located in the United States; (vi) any non-discretionary account or similar account (other than an estate or trust), held by a dealer or other fiduciary for the benefit or account of a US Person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and (viii) any partnership or corporation if: • organised or incorporated under the laws of any foreign jurisdiction; and • formed by a US Person principally for the purpose of investing in securities not registered under the Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of the 1933 Act) who are not natural persons, estates or trusts. provided, that the following are not "US Persons": (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US Person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States; (ii) any estate of which any professional fiduciary acting as executor or administrator is a US Person: • an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with respect to the assets of the estate; and • the estate is governed by foreign law; (iii) any trust of which any professional fiduciary acting as trustee is a US Person, if a trustee who is not a US Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person; (iv) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country; (v) any agency or branch of a US Person located outside the United States if: • the agency or branch operates for valid business reasons; and • the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; (xiv) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans.

Valuation Day	means	The day on which the Net Asset Value per share of a Sub-Fund is dated, which means each Business Day except: - the days on which there is no quotation (or no regular trading session) of the appropriate benchmark indicator, - the days on which there is no quotation (or no regular trading session) on markets representing more than 30%of the stocks composing the appropriate benchmark indicator, - the days on which there is no quotation (or no regular trading session) on the appropriate benchmark indicator's derivatives market.

APPENDIX E - SUMMARY TABLE OF SHARES ISSUED BY THE COMPANY

CORE INDICES

NAME OF THE SUB-FUND	CLASSES OF SHARES	CURRENCY	Capitalisation / Distribution	HEDGED SHARES	SWING PRICING	ISIN CODE LU
Lyxor Stoxx Europe 600 (DR)	UCITS ETF C-EUR	EUR	Capitalisation			LU0908500753
	UCITS ETF D-EUR		Distribution			LU0908500837
	IE		Capitalisation			LU0317841319
	IE-W		Capitalisation		IE-W	LU0726478588
	SE		Capitalisation			LU0317841665
	SE-W		Capitalisation		SE-W	LU0726478745
	OE		Capitalisation			LU0317841822
	UCITS ETF Monthly Hedged C-GBP	GBP	Capitalisation	YES		TBD
Lyxor EURO STOXX 300 (DR)	UCITS ETF C-EUR	EUR	Capitalisation			LU0908501058
	UCITS ETF D-EUR		Distribution			LU0908501132
	IE		Capitalisation			LU0326732954
	IE-W		Capitalisation		IE-W	LU0726479040
	IG		Capitalisation	IG		LU0326733093
	SE		Capitalisation			LU0326733176
	SE-W		Capitalisation		SE-W	LU0726479479
	SG		Capitalisation	SG		LU0326733259
	OE		Capitalisation			LU0318842175
	UCITS ETF Monthly Hedged C-GBP	GBP	Capitalisation	YES		LU1237272825
Lyxor EURO STOXX 50 (DR)	UCITS ETF C-EUR	EUR	Capitalisation			LU0908501215
	UCITS ETF D-EUR		Distribution			LU0908501488
	IE		Capitalisation			LU0278205579
	SE		Capitalisation			LU0278205652
	SE-D		Distribution			LU0614300084
	OE		Capitalisation			LU0336666754
	UCITS ETF Daily Hedged C-GBP	GBP	Capitalisation	YES		LU1203772212

Lyxor USD Liquid Investment Grade Corporate Bonds UCITS ETF	**D-USD**	USD	Distribution	NO	NO	LU1285959703
	C-USD	USD	Capitalisation	NO		LU1285959885
	Monthly Hedged C-EUR	EUR	Capitalisation	YES		LU1285959968
	Monthly Hedged D-EUR	EUR	Distribution	YES		LU1285960032
	Monthly Hedged C-CHF	CHF	Capitalisation	YES		TBD
	Monthly Hedged D-CHF	CHF	Distribution	YES		TBD
Lyxor Australia Sovereign Bonds UCITS ETF (DR)	**C-USD**	USD	Capitalisation	NO	NO	LU1295718024
	D-USD	USD	Distribution			LU1295718297
	Monthly Hedged C-EUR	EUR	Capitalisation	YES		LU1295718370
	Monthly Hedged D-EUR	EUR	Distribution			LU1295718453
	Monthly Hedged C-USD	USD	Capitalisation			LU1295718537
	Monthly Hedged D-USD	USD	Distribution			LU1295718610
Lyxor BofAML $ High Yield Bond UCITS ETF	**C-USD**	USD	Capitalisation	NO	NO	LU1435356065
	D-USD	USD	Distribution			LU1435356149
	Monthly Hedged C-EUR	EUR	Capitalisation	YES		LU1435356222
	Monthly Hedged D-EUR	EUR	Distribution			LU1435356495
	Monthly Hedged C-GBP	GBP	Capitalisation			LU1435356578
	Monthly Hedged D-GBP	GBP	Distribution			LU1435356651
	Monthly Hedged C-CHF	CHF	Capitalisation			LU1435356735
	Monthly Hedged D-CHF	CHF	Distribution			LU1435356818
Lyxor $ Floating Rate Note UCITS ETF	**C-USD**	USD	Capitalisation			TBC
	D-USD	USD	Distribution			TBC
	Monthly Hedged C-EUR	EUR	Capitalisation			TBC
	Monthly Hedged D-EUR	EUR	Distribution			TBC
	Monthly Hedged C-GBP	GBP	Capitalisation			TBC
	Monthly Hedged D-GBP	GBP	Distribution			TBC
	Monthly Hedged C-CHF	CHF	Capitalisation			TBC
	Monthly Hedged D-CHF	CHF	Distribution			TBC

NAME OF THE SUB-FUND	CLASSES OF SHARES	Total fees	Subscription fee[1]	Entry fee[1]	Redemption fee[1]	Exit fee[1]	Swing Factor Entry	Swing Factor Exit	INITIAL ISSUE PRICE	INITIAL Subscription amount
Lyxor Stoxx Europe 600 (DR)	**UCITS ETF C-EUR**	Up to 0.30%	(A)	Max 0.50%	(B)	Max 0.08%	N/A	N/A	100 EUR	100K EUR
	UCITS ETF D-EUR	Up to 0.30%	(A)	Max 0.50%	(B)	TBD	N/A	N/A	100 EUR	100K EUR
	IE	Up to 0.15%	N/A	Max 0.50%	N/A	Max 0.08%	N/A	N/A	1000 EUR	100K EUR
	IE-W	Up to 0.15%	N/A	N/A	N/A	N/A	Max 0.50%	Max 0.08%	1000 EUR	100K EUR
	SE	Up to 0.08%	N/A	Max 0.50%	N/A	Max 0.06%	N/A	N/A	1000 EUR	10M EUR
	SE-W	Up to 0.08%	N/A	N/A	N/A	N/A	Max 0.50%	Max 0.03%	1000 EUR	10M EUR
	OE	Up to 0.05%	N/A	Max 0.50%	N/A	Max 0.06%	N/A	N/A	1000 EUR	5M EUR
	UCITS ETF Monthly Hedged C-GBP	Up to 0.30%	(A)	Max 0.50%	(B)	Max 0.08%	N/A	N/A	100 GBP	100K EUR (or equivalent of 100K EUR in another currency)
Lyxor EURO STOXX 300 (DR)	**UCITS ETF C-EUR**	Up to 0.30%	(A)	Max 0.40%	(B)	Max 0.08%	N/A	N/A	100 EUR	100K EUR
	UCITS ETF D-EUR	Up to 0.30%	(A)	Max 0.40%	(B)	Max 0.08%	N/A	N/A	100 EUR	100K EUR
	IE	Up to 0.15%	N/A	Max 0.40%	N/A	Max 0.08%	N/A	N/A	1000 EUR	100K EUR
	IE-W	Up to 0.15%	N/A	N/A	N/A	N/A	Max 0.40%	Max 0.08%	1000 EUR	100K EUR
	IG	Up to 0.15%	N/A	Max 0.40%	N/A	Max 0.08%	N/A	N/A	1000 GBP	100K GBP
	SE	Up to 0.08%	N/A	Max 0.40%	N/A	Max 0.03%	N/A	N/A	1000 EUR	10M EUR
	SE-W	Up to 0.08%	N/A	N/A	N/A	N/A	Max 0.40%	Max 0.03%	1000 EUR	10M EUR
	SG	Up to 0.08%	N/A	Max 0.40%	N/A	Max 0.03%	N/A	N/A	1000 GBP	10M GBP
	OE	Up to 0.05%	N/A	Max 0.40%	N/A	Max 0.03%	N/A	N/A	1000 EUR	5M EUR
	UCITS ETF Monthly Hedged C-GBP	Up to 0.30%	(A)	Max 0.50%	(B)	Max 0.08%	N/A	N/A	100 GBP	100K EUR (or equivalent of 100K EUR in another currency)
Lyxor EURO STOXX 50 (DR)	**UCITS ETF C-EUR**	Up to 0.20%	(A)	Max 0.40%	(B)	Max 0.08%	N/A	N/A	100 EUR	100K EUR
	UCITS ETF D-EUR	Up to 0.20%	(A)	Max 0.40%	(B)	Max 0.08%	N/A	N/A	100 EUR	100K EUR
	IE	Up to 0.15%	N/A	Max 0.40%	N/A	Max 0.08%	N/A	N/A	1000 EUR	100K EUR
	SE	Up to 0.08%	N/A	Max 0.40%	N/A	Max 0.03%	N/A	N/A	1000 EUR	10M EUR
	SE-D	Up to 0.08%	N/A	Max 0.40%	N/A	Max 0.03%	N/A	N/A	1000 EUR	10M EUR
	OE	Up to 0.06%	N/A	Max 0.40%	N/A	Max 0.03%	N/A	N/A	1000 EUR	5M EUR
	UCITS ETF Daily Hedged C-GBP	Up to 0.20%	(A)	Max 0.50%	(B)	Max 0.08%	N/A	N/A	100 GBP	100K EUR (or equivalent of 100K EUR in another currency)
Lyxor USD Liquid Investment Grade Corporate Bonds UCITS ETF	**D-USD**	Up to 0.15%	(A)	N/A	(B)	N/A	N/A	N/A	100 USD	100K EUR (or equivalent of 100K EUR in another currency)
	C-USD									
	Monthly Hedged C-EUR	Up to 0.20%							100 EUR	
	Monthly Hedged D-EUR									
	Monthly Hedged C-CHF								100 CHF	
	Monthly Hedged D-CHF									
Lyxor Australia Sovereign Bonds UCITS ETF (DR)	**C-USD**	Up to 0.25%	(A)	Max 0.05%	(B)	Max 0.05%	N/A	N/A	100 USD	100K EUR (or equivalent of 100K EUR in another
	D-USD									
	Monthly Hedged C-EUR								100 EUR	
	Monthly									

	Hedged D-EUR									currency)
	Monthly Hedged C-USD								100 USD	
	Monthly Hedged D-USD									
Lyxor BofAML $ High Yield Bond UCITS ETF	**C-USD**								100 USD	100K EUR (or equivalent of 100K EUR in another currency
	D-USD									
	Monthly Hedged C-EUR								100 EUR	
	Monthly Hedged D-EUR									
	Monthly Hedged C-GBP	Up to 0.55%	(A)	N/A	(B)	N/A	N/A	N/A	100 GBP	
	Monthly Hedged D-GBP									
	Monthly Hedged C-CHF								100 CHF	
	Monthly Hedged D-CHF									
Lyxor $ Floating Rate Note UCITS ETF	**C-USD**	**Up to 0.15%**	(A)	N/A	(B)	N/A	N/A	N/A	100 USD	100K EUR (or equivalent of 100K EUR in another currency
	D-USD									
	Monthly Hedged C-EUR	Up to 0.25%							100 EUR	
	Monthly Hedged D-EUR									
	Monthly Hedged C-GBP								100 GBP	
	Monthly Hedged D-GBP									
	Monthly Hedged C-CHF								100 CHF	
	Monthly Hedged D-CHF									

[1] Subscription fees are for the benefit of the distributor, entry/exit fees are for the benefit of the Sub-Fund in order to cover transaction costs including taxes and stamp duties.

(A) At the most, the highest of:
- EUR 50,000 by subscription demand (or the equivalent in the currency of the relevant Class of Shares when denominated in another currency), and
- 5 %, retroceded to third parties.

(B) At the most, the highest of:
- EUR 50,000 by redemption demand (or the equivalent in the currency of the relevant Class of Shares when denominated in another currency), and
- 5 %, retroceded to third parties.

RISK FACTOR STRATEGY

NAME OF THE SUB-FUND	CLASSES OF SHARES	CURRENCY	Capitalisation / Distribution	HEDGED SHARES	SWING PRICING	ISIN CODE LU
Lyxor J.P. Morgan Europe Low Beta Factor Index UCITS ETF	C-EUR	EUR	Capitalisation	NO		LU1218122742
	D-EUR	EUR	Distribution	NO		LU1218122668
Lyxor J.P. Morgan Europe Low Size Factor Index UCITS ETF	C-EUR	EUR	Capitalisation	NO		LU1218123047
	D-EUR	EUR	Distribution	NO		LU1218122825
Lyxor J.P. Morgan Europe Momentum Factor Index UCITS ETF	C-EUR	EUR	Capitalisation	NO		LU1218123393
	D-EUR	EUR	Distribution	NO		LU1218123120
Lyxor J.P. Morgan Europe Value Factor Index UCITS ETF	C-EUR	EUR	Capitalisation	NO		LU1218123716
	D-EUR	EUR	Distribution	NO		LU1218123633
Lyxor J.P. Morgan Europe Quality Factor Index UCITS ETF	C-EUR	EUR	Capitalisation	NO		LU1218123559
	D-EUR	EUR	Distribution	NO		LU1218123476
Lyxor J.P. Morgan Multi-factor Europe Index UCITS ETF	C-EUR	EUR	Capitalisation	NO		LU1290894820
	D-EUR	EUR	Distribution	NO		LU1290898904
Lyxor J.P. Morgan Multi-factor World Index UCITS ETF	C-USD	USD	Capitalisation	NO		LU1348962132
	D-USD	USD	Distribution	NO		LU1348962306
Lyxor SG Global Value Beta UCITS ETF	D-EUR	EUR	Distribution			LU1089899980
	D-USD	USD				LU1081771286
	D-GBP	GBP				LU1089900077
	D-CHF	CHF				LU1089900234
	C-EUR	EUR	Capitalisation			LU1089900317
	C-USD	USD				LU1081771369
	C-GBP	GBP				LU1089900408
	C-CHF	CHF				LU1089900580
	Monthly Hedged D-EUR	EUR	Distribution	YES		LU1089900663
	Monthly Hedged D-USD	USD				LU1081771443
	Monthly Hedged D-GBP	GBP				LU1089900747
	Monthly Hedged D-CHF	CHF				LU1089900820
	Monthly Hedged C-EUR	EUR	Capitalisation	YES		LU1089901042
	Monthly Hedged C-USD	USD				LU1081771872
	Monthly Hedged C-GBP	GBP				LU1089901125
	Monthly Hedged C-CHF	CHF				LU1089901398

NAME OF THE SUB-FUND	CLASSES OF SHARES	Total fees	Subscription fee1	Entry fee1	Redemption fee1	Exit fee1	Swing Factor Entry	Swing Factor Exit	INITIAL ISSUE PRICE	INITIAL Subscription amount
Lyxor J.P. Morgan Europe Low Beta Factor Index UCITS ETF	C-EUR	Up to 0.30%	(A)	N/A	(B)	N/A	N/A	N/A	100 EUR	100K EUR (or equivalent of 100K EUR in another currency)
	D-EUR									
Lyxor J.P. Morgan Europe Low Size Factor Index UCITS ETF	C-EUR	Up to 0.30%	(A)	N/A	(B)	N/A	N/A	N/A	100 EUR	100K EUR (or equivalent of 100K EUR in another currency)
	D-EUR									
Lyxor J.P. Morgan Europe Momentum Factor Index UCITS ETF	C-EUR	Up to 0.30%	(A)	N/A	(B)	N/A	N/A	N/A	100 EUR	100K EUR (or equivalent of 100K EUR in another currency)
	D-EUR									

Lyxor J.P. Morgan Europe Value Factor Index UCITS ETF	**C-EUR**	Up to 0.30%	(A)	N/A	(B)	N/A	N/A	N/A	100 EUR	100K EUR (or equivalent of 100K EUR in another currency)
	D-EUR									
Lyxor J.P. Morgan Europe Quality Factor Index UCITS ETF	**C-EUR**	Up to 0.30%	(A)	N/A	(B)	N/A	N/A	N/A	100 EUR	100K EUR (or equivalent of 100K EUR in another currency)
	D-EUR									
Lyxor J.P. Morgan Multi-factor Europe Index UCITS ETF	**C-EUR**	Up to 0.40%	(A)	N/A	(B)	N/A	N/A	N/A	100 EUR	100K EUR (or equivalent of 100K EUR in another currency)
	D-EUR									
Lyxor J.P. Morgan Multi-factor World Index UCITS ETF	**C-USD**	Up to 0.40%	(A)	N/A	(B)	N/A	N/A	N/A	100 USD	100K EUR (or equivalent of 100K EUR in another currency)
	D-USD									
Lyxor SG Global Value Beta UCITS ETF	**D-EUR**	Up to 0.40%	(A)	N/A	(B)	N/A	N/A	N/A	100 EUR	100K EUR (or equivalent of 100K EUR in another currency)
	D-USD								100 USD	
	D-GBP								100 GBP	
	D-CHF								100 CHF	
	C-EUR								100 EUR	
	C-USD								100 USD	
	C-GBP								100 GBP	
	C-CHF								100 CHF	
	Monthly Hedged D-EUR								100 EUR	
	Monthly Hedged D-USD								100 USD	
	Monthly Hedged D-GBP								100 GBP	
	Monthly Hedged D-CHF								100 CHF	
	Monthly Hedged C-EUR								100 EUR	
	Monthly Hedged C-USD								100 USD	
	Monthly Hedged C-GBP								100 GBP	
	Monthly Hedged C-CHF								100 CHF	

[1] Subscription fees are for the benefit of the distributor, entry/exit fees are for the benefit of the Sub-Fund in order to cover transaction costs including taxes and stamp duties.

(A) At the most, the highest of:
- EUR 50,000 by subscription demand (or the equivalent in the currency of the relevant Class of Shares when denominated in another currency), and
- 5 %, retroceded to third parties.

(B) At the most, the highest of:
- EUR 50,000 by redemption demand (or the equivalent in the currency of the relevant Class of Shares when denominated in another currency), and
- 5 %, retroceded to third parties.

EMERGING MARKET STRATEGIES

NAME OF THE SUB-FUND	CLASSES OF SHARES	CURRENCY	Capitalisation/ Distribution	HEDGED SHARES	SWING PRICING	ISIN CODE LU
Lyxor Emerging Markets Local Currency Bond (DR)	IE	EUR	Capitalisation			LU0579169235
	IE-D	EUR	Distribution			LU0736520734
	IE-W	EUR	Capitalisation		IE-W	LU0726480725
	IU	USD	Capitalisation			LU0579169409
	IU-D	USD	Distribution			LU0736521625
	SE	EUR	Capitalisation			LU0579169664
	SE-D	EUR	Distribution			LU0736522516
	SU	USD	Capitalisation			LU0579169748
	SU-D	USD	Distribution			LU0736523241
	OE	EUR	Capitalisation			LU0579170084
	OU	USD	Capitalisation			LU0579170324
	RU-DW	USD	Distribution		RU-DW	LU0800633181
	RU-D	USD	Distribution			LU0800633777
	RSGD-DW	SGD	Distribution		RSGD-DW	LU0800636010
	RSGD-D	SGD	Distribution			LU0800639972
	UCITS ETF C-EUR	EUR	Capitalisation			LU0908501561
	UCITS ETF D-EUR	EUR	Distribution			LU0908501645
	UCITS ETF C-USD	USD	Capitalisation			LU0908501728
	UCITS ETF D-USD	USD	Distribution			LU0908501991

NAME OF THE SUB-FUND	CLASSES OF SHARES	Total fees	Subscription fee[1]	Entry fee[1]	Redemption fee[1]	Exit fee[1]	Swing Factor Entry	Swing Factor Exit	INITIAL ISSUE PRICE	INITIAL Subscription amount
Lyxor Emerging Markets Local Currency Bond (DR)	IE	Up to 1.10%	N/A	Max 4.00%[2]		Max 0.50%	N/A	N/A	1000 EUR	100K EUR
	IE-D	Up to 1.10%	N/A	Max 4.00%2		Max 0.50%	N/A	N/A	1000 EUR	100K EUR
	IE-W	Up to 1.10%	N/A	N/A		N/A	Max 4.00%	Max 0.50%	1000 EUR	100K EUR
	IU	Up to 1.10%	N/A	Max 4.00%2		Max 0.50%	N/A	N/A	1000 USD	100K USD
	IU-D	Up to 1.10%	N/A	Max 4.00%2		Max 0.50%	N/A	N/A	1000 USD	100K USD
	SE	Up to 0.90%	N/A	Max 4.00%2		Max 0.50%	N/A	N/A	1000 EUR	10M EUR
	SE-D	Up to 0.90%	N/A	Max 4.00%2		Max 0.50%	N/A	N/A	1000 EUR	10M EUR
	SU	Up to 0.90%	N/A	Max 4.00%2		Max 0.50%	N/A	N/A	1000 USD	10M USD
	SU-D	Up to 0.90%	N/A	Max 4.00%2		Max 0.50%	N/A	N/A	1000 USD	10M USD
	OE	Up to 0.60%	N/A	Max 4.00%2		Max 0.50%	N/A	N/A	1000 EUR	5M EUR
	OU	Up to 0.60%	N/A	Max 4.00%2		Max 0.50%	N/A	N/A	1000 USD	5M USD
	RU-DW	Up to 1.90%	Up to 5.00%	N/A		N/A	Max 4.00%	Max 0.50%	10 USD	1 000 USD
	RU-D	Up to 1.90%	Up to 5.00%	Max 4.00%2		Max 0.50%	N/A	N/A	10 USD	1 000 USD
	RSGD-DW	Up to 1.90%	Up to 5.00%	N/A		N/A	Max 4.00%	Max 0.50%	10 SGD	1 000 SGD
	RSGD-D	Up to 1.90%	Up to 5.00%	Max 4.00%2		Max 0.50%	N/A	N/A	10 SGD	1 000 SGD
	UCITS ETF C-EUR	Up to 0.55%	(A)	Max 4.00%2	(B)	Max 0.50%	N/A	N/A	100 EUR	100K EUR
	UCITS ETF D-EUR		(A)	Max 4.00%2	(B)	Max 0.50%			100 EUR	100K EUR
	UCITS ETF C-USD	Up to 0.55%	(C)	Max 4.00%2	(D)	Max 0.50%	N/A	N/A	100 USD	100K USD
	UCITS ETF D-USD		(C)	Max 4.00%2	(D)	Max 0.50%			100 USD	100K USD

[1] Subscription fees are for the benefit of the distributor, entry/exit fees are for the benefit of the Sub-Fund in order to cover transaction costs including taxes and stamp duties.

[2] Maximum entry fee applying only to "Lyxor Emerging Market Local Currency Bond (DR)" Sub-Fund notwithstanding the maximum specified in "Part I – IV Investing in the Company – B. Issue of Shares" in the Prospectus. The indicated amount is the maximum entry fee and the actual entry fee charged may vary depending on the market conditions at the date of subscription. For example, the entry fee applying for a subscription of 1000 class IE shares is 0.85% in December 2011.

(A) At the most, the highest of:
- EUR 50,000 by subscription demand (or the equivalent in the currency of the relevant Class of Shares when denominated in another currency), and
- 5 %, retroceded to third parties.

(B) At the most, the highest of:
- EUR 50,000 by redemption demand (or the equivalent in the currency of the relevant Class of Shares when denominated in another currency), and
- 5 %, retroceded to third parties.

(C) At the most, the highest of:
- USD 50,000 by subscription demand (or the equivalent in the currency of the relevant Class of Shares when denominated in another currency), and
- 5 %, retroceded to third parties.

(D) At the most, the highest of:
- USD 50,000 by redemption demand (or the equivalent in the currency of the relevant Class of Shares when denominated in another currency), and
- 5 %, retroceded to third parties.

CASH STRATEGY

NAME OF THE SUB-FUND	CLASSES OF SHARES	CURRENCY	Capitalisation/ Distribution	HEDGED SHARES	SWING PRICING	ISIN CODE LU
Lyxor Smart Cash	UCITS ETF C-EUR	EUR	Capitalisation	N/A	N/A	LU1190417599
	UCITS ETF C-USD	USD	Capitalisation	Yes	N/A	LU1248511575
	UCITS ETF C-GBP	GBP	Capitalisation	Yes	N/A	LU1230136894
	IE	EUR	Capitalisation	N/A	N/A	LU1190418134
	OE	EUR	Capitalisation	N/A	N/A	LU1190419371
	IU	USD	Capitalisation	Yes	N/A	LU1190419967
	OU	USD	Capitalisation	Yes	N/A	LU1190420205
	IG	GBP	Capitalisation	Yes	N/A	LU1190420890

NAME OF THE SUB-FUND	CLASSES OF SHARES	Total fees	Subscription fee[1]	Entry fee[1]	Redemption fee[1]	Exit fee[1]	Swing Factor Entry	Swing Factor Exit	INITIAL ISSUE PRICE	INITIAL Subscription amount
Lyxor Smart Cash	UCITS ETF C-EUR	Up to 0.20%	(A)	N/A	(B)	N/A	N/A	N/A	1 000 EUR	1 000 000 EUR
	UCITS ETF C-USD	Up to 0.20%	(A)	N/A	(B)	N/A	N/A	N/A	1 000 USD	1 000 000 USD
	UCITS ETF C-GBP	Up to 0.20%	(A)	N/A	(B)	N/A	N/A	N/A	1 000 GBP	1 000 000 GBP
	IE	Up to 0.20%	N/A	N/A	N/A	N/A	N/A	N/A	1 000 EUR	1 000 000 EUR
	OE	Up to 0.20%	N/A	N/A	N/A	N/A	N/A	N/A	1 000 EUR	1 000 000 EUR
	IU	Up to 0.20%	N/A	N/A	N/A	N/A	N/A	N/A	1 000 USD	1 000 000 USD
	OU	Up to 0.20%	N/A	N/A	N/A	N/A	N/A	N/A	1 000 USD	1 000 000 USD
	IG	Up to 0.20%	N/A	N/A	N/A	N/A	N/A	N/A	1 000 GBP	1 000 000 GBP

[1] Subscription fees are for the benefit of the distributor, entry/exit fees are for the benefit of the Sub-Fund in order to cover transaction costs including taxes and stamp duties.

(A) At the most, the highest of:
- EUR 50,000 by subscription demand (or the equivalent in the currency of the relevant Class of Shares when denominated in another currency), and
- 5 %, retroceded to third parties.

(B) At the most, the highest of:
- EUR 50,000 by redemption demand (or the equivalent in the currency of the relevant Class of Shares when denominated in another currency), and
- 5 %, retroceded to third parties.

WINTON GLOBAL STRATEGY

NAME OF THE SUB-FUND	CLASSES OF SHARES	CURRENCY	Capitalisation/ Distribution	HEDGED SHARES	SWING PRICING	ISIN CODE LU
Lyxor Winton Europe Equity UCITS ETF (DR)	C-EUR D-EUR	EUR	Capitalisation Distribution	N/A	N/A	TBC TBC
Lyxor Winton Global Equity UCITS ETF (DR)	C-USD D-USD	USD	Capitalisation Distribution	N/A	N/A	TBC TBC
Lyxor Winton US Equity UCITS ETF (DR)	C-USD D-USD	USD	Capitalisation Distribution	N/A	N/A	TBC TBC

NAME OF THE SUB-FUND	CLASSES OF SHARES	Total fees	Subscrip-tion fee[1]	Entry fee[1]	Redemption fee[1]	Exit fee[1]	Swing Factor Entry	Swing Factor Exit	INITIAL ISSUE PRICE	INITIAL Subscription amount
Lyxor Winton Europe Equity UCITS ETF (DR)	C-EUR D-EUR	Up to 0.50% Up to 0.50%	(A) (A)	N/A N/A	(B) (B)	N/A N/A	N/A N/A	N/A N/A	100 EUR 100 EUR	100 000 EUR
Lyxor Winton Global Equity UCITS ETF (DR)	C-USD D-USD	Up to 0.50% Up to 0.50%	(A) (A)	N/A N/A	(B) (B)	N/A N/A	N/A N/A	N/A N/A	100 USD 100 USD	100K EUR (or equivalent of 100K EUR in another currency)
Lyxor Winton US Equity UCITS ETF (DR)	C-USD D-USD	Up to 0.50% Up to 0.50%	(A) (A)	N/A N/A	(B) (B)	N/A N/A	N/A N/A	N/A N/A	100 USD 100 USD	100K EUR (or equivalent of 100K EUR in another currency)

[1] Subscription fees are for the benefit of the distributor, entry/exit fees are for the benefit of the Sub-Fund in order to cover transaction costs including taxes and stamp duties.

(A) At the most, the highest of:
- EUR 50,000 by subscription demand (or the equivalent in the currency of the relevant Class of Shares when denominated in another currency), and
- 5 %, retroceded to third parties.

(B) At the most, the highest of:
- EUR 50,000 by redemption demand (or the equivalent in the currency of the relevant Class of Shares when denominated in another currency), and
- 5 %, retroceded to third parties.

DIVERSIFIED STRATEGY

NAME OF THE SUB-FUND	CLASSES OF SHARES	CURRENCY	Capitalisation/ Distribution	HEDGED SHARES	SWING PRICING	ISIN CODE LU
Lyxor Alpha Plus Fund	**IE-D**	EUR	Distribution	No	N/A	[TBD]

NAME OF THE SUB-FUND	CLASSES OF SHARES	Total fees	Subscription fee[1]	Entry fee[3]	Redemption fee[1]	Exit fee[4]	Swing Factor Entry	Swing Factor Exit	INITIAL ISSUE PRICE	INITIAL Subscription amount
Lyxor Alpha Plus Fund	**IE-D**	Max 2.05%[2]	None	Max 5.00%	None	Max 5.00%	N/A	N/A	100 EUR	20 000 000 EUR

[1] Subscription fees are for the benefit of the distributor, entry/exit fees are for the benefit of the Sub-Fund in order to cover transaction costs including taxes and stamp duties.
[2] Including fees in relation to the underlying investments held by the Sub-Fund.
[3] Maximum entry fee applying only to "Lyxor Alpha Plus Fund" Sub-Fund notwithstanding the maximum specified in "Part I – IV Investing in the Company – B. Issue of Shares" in the Prospectus.
[4] Maximum exit fee applying only to "Lyxor Alpha Plus Fund" Sub-Fund notwithstanding the maximum specified in "Part I – IV Investing in the Company – B. Issue of Shares" in the Prospectus.

LEVERAGE AND INVERSE STRATEGIES

NAME OF THE SUB-FUND	CLASSES OF SHARES	CURRENCY	Capitalisation/ Distribution	HEDGED SHARES	SWING PRICING	ISIN CODE LU
Lyxor BTP Daily Short UCITS ETF	C-EUR	EUR	Capitalisation	NO	NO	LU1523098561
	D-EUR	EUR	Distribution			LU1523098645
	Monthly Hedged C-USD	USD	Capitalisation	YES		LU1523098728
	Monthly Hedged D-USD	USD	Distribution			LU1523098991
	Monthly Hedged C-GBP	GBP	Capitalisation			LU1523099023
	Monthly Hedged D-GBP	GBP	Distribution			LU1523099296
	Monthly Hedged C-CHF	CHF	Capitalisation			LU1523099452
	Monthly Hedged D-CHF	CHF	Distribution			LU1523099536
Lyxor Bund Daily Short UCITS ETF	C-EUR	EUR	Capitalisation	NO	NO	LU1523099700
	D-EUR	EUR	Distribution			LU1523099965
	Monthly Hedged C-USD	USD	Capitalisation	YES		LU1523100136
	Monthly Hedged D-USD	USD	Distribution			LU1523100219
	Monthly Hedged C-GBP	GBP	Capitalisation			LU1523100995
	Monthly Hedged D-GBP	GBP	Distribution			LU1523103312
	Monthly Hedged C-CHF	CHF	Capitalisation			LU1523107495

NAME OF THE SUB-FUND	CLASSES OF SHARES	CURRENCY	Capitalisation/ Distribution	HEDGED SHARES	SWING PRICING	ISIN CODE LU
	Monthly Hedged D-CHF	CHF	Distribution			LU1523110101
Lyxor 10Y US treasury Daily Short UCITS ETF	**C-USD**	USD	Capitalisation	No	NO	LU1541273568
	D-USD	USD	Distribution			LU1541273725
	Monthly Hedged C-EUR	EUR	Capitalisation	YES		LU1541285901
	Monthly Hedged D-EUR	EUR	Distribution			LU1541338106
	Monthly Hedged C-GBP	GBP	Capitalisation			LU1541386097
	Monthly Hedged D-GBP	GBP	Distribution			LU1541386840
	Monthly Hedged C-CHF	CHF	Capitalisation			LU1541387061
	Monthly Hedged D-CHF	CHF	Distribution			LU1541387145

NAME OF THE SUB-FUND	CLASSES OF SHARES	Total fees	Subscription fee[1]	Entry fee[3]	Redemption fee[1]	Exit fee[4]	Swing Factor Entry	Swing Factor Exit	INITIAL ISSUE PRICE	INITIAL Subscription amount
Lyxor BTP Daily Short UCITS ETF	**C-EUR**	Up to 0.40%	(A)	N/A	(B)	N/A	N/A	N/A	50 EUR	100K EUR (or equivalent of 100K EUR in another currency
	D-EUR									
	Monthly Hedged C-USD	TDB							50 USD	
	Monthly Hedged D-USD									
	Monthly Hedged C-GBP								50 GBP	
	Monthly Hedged D-GBP									
	Monthly Hedged C-CHF								50 CHF	

	Monthly Hedged D-CHF									
Lyxor Bund Daily Short UCITS ETF	**C-EUR**	Up to 0.20%	(A)	N/A	(B)	N/A	N/A	N/A	50 EUR	100K EUR (or equivalent of 100K EUR in another currency
	D-EUR									
	Monthly Hedged C-USD	TDB							50 USD	
	Monthly Hedged D-USD									
	Monthly Hedged C-GBP								50 GBP	
	Monthly Hedged D-GBP									
	Monthly Hedged C-CHF								50 CHF	
	Monthly Hedged D-CHF									

[1] Subscription fees are for the benefit of the distributor, entry/exit fees are for the benefit of the Sub-Fund in order to cover transaction costs including taxes and stamp duties.

(A) At the most, the highest of:
- EUR 50,000 by subscription demand (or the equivalent in the currency of the relevant Class of Shares when denominated in another currency), and
- 5 %, retroceded to third parties.

(B) At the most, the highest of:
- EUR 50,000 by redemption demand (or the equivalent in the currency of the relevant Class of Shares when denominated in another currency), and
- 5 %, retroceded to third parties.

NAME OF THE SUB-FUND	CLASSES OF SHARES	Total fees	Subscription fee[1]	Entry fee[3]	Redemption fee[1]	Exit fee[4]	Swing Factor Entry	Swing Factor Exit	INITIAL ISSUE PRICE	INITIAL Subscription amount
Lyxor 10Y US treasury Daily Short UCITS ETF	**C- USD**	0,20%	(A)	N/A	(B)	N/A	N/A	N/A	50 USD	100K EUR (or equivalent of 100K EUR in another currency
	D-USD									
	Monthly Hedged C-EUR	0,30%							50 EUR	
	Monthly Hedged D-EUR									
	Monthly Hedged C-GBP								50 GBP	
	Monthly Hedged D-GBP									
	Monthly Hedged C-CHF								50 CHF	
	Monthly Hedged D-CHF									

[1] Subscription fees are for the benefit of the distributor, entry/exit fees are for the benefit of the Sub-Fund in order to cover transaction costs including taxes and stamp duties.

(A) At the most, the highest of:
- EUR 50,000 by subscription demand (or the equivalent in the currency of the relevant Class of Shares when denominated in another currency), and
- 5 %, retroceded to third parties.

(B) At the most, the highest of:
- EUR 50,000 by redemption demand (or the equivalent in the currency of the relevant Class of Shares when denominated in another currency), and
- 5 %, retroceded to third parties.

LONG/SHORT EQUITY STRATEGY

NAME OF THE SUB-FUND	CLASSES OF SHARES	CURRENCY	Capitalisation/ Distribution	HEDGED SHARES	SWING PRICING	ISIN CODE LU
Crystal Europe Equity	**UCITS ETF C-EUR**	EUR	Capitalisation	N/A	N/A	LU1541218894
	IE	EUR	Capitalisation	N/A	N/A	[TBD]
	IU	USD	Capitalisation	Yes	N/A	[TBD]
	AE	EUR	Capitalisation	N/A	N/A	[TBD]
	AE-D	EUR	Distribution	N/A	N/A	[TBD]
	AU	USD	Capitalisation	Yes	N/A	[TBD]
	RE	EUR	Capitalisation	N/A	N/A	[TBD]
	RU	USD	Capitalisation	Yes	N/A	[TBD]

NAME OF THE SUB-FUND	CLASSES OF SHARES	Total fees	Subscription fee	Entry fee	Redemption fee	Exit fee	Swing Factor Entry	Swing Factor Exit	INITIAL ISSUE PRICE	INITIAL Subscription amount
Crystal Europe Equity	**UCITS ETF C-EUR**	Up to 1.00%	(A)	N/A	(A)	N/A	N/A	N/A	100 EUR	100 000 EUR
	IE	Up to 1.00%	N/A	N/A	N/A	N/A	N/A	N/A	1,000 EUR	100 000 EUR
	IU	Up to 1.00%	N/A	N/A	N/A	N/A	N/A	N/A	1,000 USD	100 000 USD
	AE	Up to 1.75%	Up to 2.5%	N/A	N/A	N/A	N/A	N/A	100 EUR	10,000 EUR
	AE-D	Up to 1.75%	Up to 2.5%	N/A	N/A	N/A	N/A	N/A	100 EUR	10,000 EUR
	AU	Up to 1.75%	Up to 2.5%	N/A	N/A	N/A	N/A	N/A	100 USD	10,000 USD
	RE	Up to 2.00%	Up to 2.5%	N/A	N/A	N/A	N/A	N/A	100 EUR	100 EUR
	RU	Up to 2.00%	Up to 2.5%	N/A	N/A	N/A	N/A	N/A	100 USD	100 USD

(A) At the most, the highest of:

- EUR 50,000 by subscription demand (or the equivalent in the currency of the relevant Class of Shares when denominated in another currency), and
- 5%, retroceded to third parties.

PART II

SUB-FUNDS PARTICULARITIES

A – CORE INDICES SUB-FUNDS

1 - Lyxor Index Fund – Lyxor Stoxx Europe 600 (DR)

The Reference Currency of the Sub-Fund is the EUR.

Investment Objective

The investment objective of **Lyxor Index Fund – Lyxor Stoxx Europe 600 (DR)** is to track both the upward and the downward evolution of the Stoxx Europe 600 Net Return EUR (the "**Index**") denominated in Euro (EUR).

The anticipated level of the tracking error under normal market conditions is expected to be 0.20%.

The Index

The Index is an equity index calculated and published by international index supplier STOXX Limited.

The Index provides exposure to the performance of the 600 most liquid large, mid and small caps stocks covering developed markets in Europe.

The index is free-float market cap, subject to a 20% weighting cap. Components are screened on a liquidity criteria: Each component must have a minimum liquidity of greater than 1 million EUR, as per its 3 month average daily trading volume (ADTV).

As per Stoxx methodology, the index covers as of June 2014 : Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom.

A full description and the complete methodology for the construction of the Index and information on the composition and respective weightings of the Index components is available on the following website:
http://www.stoxx.com/indices

The reference Index is a net total return index. A net total return index calculates the performance of the index constituents on the basis that any dividends or distributions are included in the index returns.

The monitored performance is based on the closing prices of the Index.

Publication of the Index

The Index is calculated in real time on each trading day.
The Index is available via Reuters and Bloomberg.
Via Reuters: .STOXXR
Via Bloomberg: SXXR

The closing price of the Index is available on the STOXX Internet site: www.stoxx.com/indices/

The complete methodology is available at www.stoxx.com/indices/

Index composition and revisions

The Index is reviewed on a quarterly basis.

A full description and the complete methodology for the construction of the Index and information on the composition and respective weightings of the Index is available on the website: http://www.stoxx.com/indices

The rebalancing frequency as described above will have no impact in terms of costs in the context of the performance of the investment objective.

Investment Policy

The Sub-Fund will carry out its investment objective via a Direct Replication as described in the present Prospectus.

The limits laid down in APPENDIX A – “INVESTMENT RESTRICTIONS” of the Prospectus are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body. This 20% cap will be monitored on each Index rebalancing date, based on the Index’s calculation method, which limits exposure to equities of the same issuer

to 20% and which is calculated by the Index sponsor or calculation agent. This 20% cap may be raised to 35% for a single issuer when justified by exceptional market conditions, for example when some securities are predominant and/or in the event of strong volatility of a financial instrument or securities linked to an economic sector represented in the Index. This could be the case if takeover bid does affect one of the securities in the Index or in the event of a significant restriction on liquidity affecting one or more financial instruments in the Index.

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with the Appendix B of this Prospectus.

Classes of Shares

This Sub-Fund issues the following Classes of Shares, IE Shares, RE Shares, SE Shares, OE Shares, UCITS ETF C-EUR Shares, UCITS ETF D-EUR Shares and UCITS ETF Monthly Hedged C-GBP Shares (See hereafter chapter IV INVESTING IN THE COMPANY A. THE SHARES).

Investor's attention is drawn to the fact that this Sub-Fund issues both UCITS ETF Classes of Shares listed on several stock exchanges and other Classes of Shares which are not listed. For further information on the UCITS ETF Classes of Shares or other Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics.

The IE Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the IE Shares will be offered at the initial price of EUR 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the IE Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

The IE-W Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the IE-W Shares will be offered at the initial price of EUR 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the IE-W Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

The SE Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the SE Shares will be offered at the initial price of EUR 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the SE Shares is of EUR 10,000,000. The minimum subsequent subscription is of one (1) Share.

The SE-W Shares have been offered for subscription on January 19th, 2012 at the initial price of EUR 1,000. Payment for Shares subscribed during this period had to be made with value date on January 24th, 2012. Since this date, the Net Asset Value per Share is calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the SE-W Shares is of EUR 10,000,000. The minimum subsequent subscription is of one (1) Share.

The OE Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the OE Shares will be offered at the initial price of EUR 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the OE Shares is of EUR 5,000,000. The minimum subsequent subscription is of one (1) Share.

The RE Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the RE Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the RE Shares is of EUR 1,000. The minimum subsequent subscription is of one (1) Share.

The UCITS ETF C-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the UCITS ETF C-EUR Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the UCITS ETF C-EUR Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

The UCITS ETF D-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the UCITS ETF D-EUR Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the UCITS ETF D-EUR Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

The UCITS ETF Monthly Hedged C-GBP Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the UCITS ETF Monthly Hedged C-GBP Shares will be offered at the initial price of GBP 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the UCITS ETF Monthly Hedged C-GBP Shares is of EUR 100,000 or equivalent of 100K EUR in another currency. The minimum subsequent subscription is of one (1) Share.

Principal risks

Among the different risks described in *Appendix C – Special Risks Considerations and Risk Factors*, the Sub-Fund is more specifically exposed to the following risks: Equity Risk, Capital at Risk, Currency Risk, Risks in relation to the index or the reference strategy sampling replication, Liquidity Risk on Secondary Market, Sub-Fund Liquidity Risk, Risk of using financial derivative instruments, Risk that the Sub-Fund's investment objective is only partially achieved.

Risk Management

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

This Sub-Fund is dedicated to individual investors and/or to Institutional Investors, within the meaning of article 174 (2) c) of the 2010 Law, who are seeking a return similar to the reference Index. Investors should, however, be prepared to accept a tracking error between the Sub-Fund performance and the Index performance though the objective of the Sub-Fund is to minimize this tracking error. Investors are also indirectly subject to European Equity market (In this respect see also Appendix C Special Risk Considerations and Risk Factors).

INDEX DISCLAIMER

STOXX and its licensors have no link with the holder of the licence other than the licensing of the Stoxx Europe 600 Net Return EUR index and the associated registered trademarks for use in connection with this Sub-Fund.

STOXX and its licensors:

- give no guarantee as to opportunities to enter into a transaction on units in the Sub-Fund, which they also refrain from selling or promoting;
- make no investment recommendation whatsoever regarding the Sub-Fund or any other security;
- holds no liability nor is under any obligation regarding the administration, management or commercialisation of the Sub-Fund;
- are not obliged to take into consideration the needs of the Sub-Fund or its unit holders to determine, compose or calculate the Stoxx Europe 600 Net Return EUR Index.

STOXX and its licensors decline all liability relating to the Sub-Fund. More specifically,

- **STOXX and its licensors will not provide any express or implicit guarantee whatsoever regarding:**
  - **The results to be obtained by the Sub-Fund, unit holders of the Sub-Fund or any person - involved in using the Stoxx Europe 600 Net Return EUR Index and the data included in the Stoxx Europe 600 Net Return EUR Index**
  - **The accuracy or completeness of the Stoxx Europe 600 Net Return EUR Index and the data it contains**
  - **The negotiability of the Stoxx Europe 600 Net Return EUR Index and its data and their suitability for a particular usage or particular purpose**
  - **STOXX and its licensors cannot be made liable for any error, omission or disruption regarding the Stoxx Europe 600 Net Return EUR Index or the data it contains**
- **In no circumstances can STOXX and its licensors be made liable for any failure whatsoever to obtain a profit. The same applies to any indirect damages or losses even if STOXX and its licensors have been warned of such risks.**

The licence contract between LYXOR INTERNATIONAL ASSET MANAGEMENT and STOXX has been established in their sole interests and not in the interests of the unit holders of the Sub-Fund or third parties.

2 - Lyxor Index Fund –Lyxor ETF EURO STOXX 300 (DR)

The Reference Currency of the Sub-Fund is the EUR.

Investment Objective

The investment objective of Lyxor Index Fund – Lyxor EURO STOXX 300 (DR) is to track both the upward and the downward evolution of the Euro STOXX Total Return (Net Dividend) (the "**Index**") denominated in Euro (EUR).

The anticipated level of the tracking error under normal market conditions is expected to be 0.20%.

The Index

The Index is an equity index calculated and published by international index supplier STOXX Limited.

The Index is a subset of the STOXX Europe 600 Index. The stocks comprising the Index are selected for their market capitalisation, their liquidity and their sector representativeness. The Index strives to comply with a weighting by country and by economic sector mirroring as closely as possible the economic structure of the Euro zone.

A full description and the complete methodology for the construction of the Index and information on the composition and respective weightings of the Index components is available on the following website: http://www.stoxx.com/indices

The monitored performance is based on the closing prices of the Index.

Publication of the Index

The Index is available in real time via Reuters and Bloomberg.
Via Reuters: .STOXXER
Via Bloomberg: SXXT

The closing price of the Index is available on the STOXX Internet site: www.stoxx.com/indices/

The complete methodology is available at www.stoxx.com/indices/

Index composition and revision

The composition of this Index is revised annually.

A full description and the complete methodology for the construction of the Index and information on the composition and respective weightings of the Index is available on the website: http://www.stoxx.com/indices

The rebalancing frequency as described above will have no impact in terms of costs in the context of the performance of the investment objective.

Investment Policy

The Sub-Fund will carry out its investment objective via a Direct Replication as described in the present Prospectus.

The limits laid down in APPENDIX A – “INVESTMENT RESTRICTIONS” of the Prospectus are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body. This 20% cap will be monitored on each Index rebalancing date, based on the Index’s calculation method, which limits exposure to equities of the same issuer to 20% and which is calculated by the Index sponsor or calculation agent. This 20% cap may be raised to 35% for a single issuer when justified by exceptional market conditions, for example when some securities are predominant and/or in the event of strong volatility of a financial instrument or securities linked to an economic sector represented in the Index. This could be the case if takeover bid does affect one of the securities in the Index or in the event of a significant restriction on liquidity affecting one or more financial instruments in the Index.

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with the Appendix B of this Prospectus.

Classes of Shares

This Sub-Fund issues the following Classes of Shares: IE Shares, IG Shares, SE Shares, SG Shares, OE Shares? UCITS ETF C-EUR Shares, UCITS ETF D-EUR Shares and UCITS ETF Monthly Hedged C-GBP Shares. (See hereafter chapter IV INVESTING IN THE COMPANY A. THE SHARES).

Investor's attention is drawn to the fact that this Sub-Fund issues both UCITS ETF Classes of Shares listed on several stock exchanges and other Classes of Shares which are not listed. For further information on the UCITS ETF Classes of Shares or other Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics.

IG and SG shares will be hedged against EUR.

On February 21st, 2008, this Sub-Fund has been launched by the way of a contribution in kind of the IE Shares and SE Shares of the Sub-Fund Lyxor Index Fund – Lyxor Index Eurozone.

The first Net Asset Value of the Sub-Fund's IE Shares and SE shares have been the last Net Asset Value of the transferred Classes (no initial price). After this date, the Net Asset Value per Share of the Sub-Fund is calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days).

IE-W Shares are available for subscription. On the day of receipt of the first subscription orders, the IE-W Shares will be offered at the initial price of EUR 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the IE-W Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

SE-W Shares are available for subscription. On the day of receipt of the first subscription orders, the SE-W Shares will be offered at the initial price of EUR 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the SE-W Shares is of EUR 10,000,000. The minimum subsequent subscription is of one (1) Share.

The OE Shares of the Sub-Fund have been offered for subscription on 15 May, 2008 at the initial price of EUR 1,000. Payment for Shares subscribed during this period had to be made with value date on 20 May, 2008. Since this date, the Net Asset Value per Share of this Sub-Fund is calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the OE Shares is of EUR 5,000,000. The minimum subsequent subscription is of one (1) Share.

IG Shares are available for subscription. On the day of receipt of the first subscription orders, the IG Shares will be offered at the initial price of GBP 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the IG Shares is of GBP 100,000. The minimum subsequent subscription is of one (1) Share.

SG Shares are available for subscription. On the day of receipt of the first subscription orders, the SG Shares will be offered at the initial price of GBP 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the IG Shares is of GBP 10,000,000. The minimum subsequent subscription is of one (1) Share.

The UCITS ETF C-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the UCITS ETF C-EUR Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the UCITS ETF C-EUR Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

The UCITS ETF D-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the UCITS ETF D-EUR Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the UCITS ETF D-EUR Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

The UCITS ETF Monthly Hedged C-GBP Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the UCITS ETF Monthly Hedged C-GBP Shares will be offered at the initial price of GBP 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the UCITS ETF Monthly Hedged C-GBP Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

Principal risks

Among the different risks described in *Appendix C – Special Risks Considerations and Risk Factors*, the Sub-Fund is more specifically exposed to the following risks: Equity Risk, Capital at Risk, Currency Risk, Risks in relation to the index or the reference strategy sampling replication, Liquidity Risk on Secondary Market, Sub-Fund Liquidity Risk, Risk of using financial derivative instruments, Risk that the Sub-Fund's investment objective is only partially achieved.

Risk Management

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

This Sub-Fund is dedicated to Institutional Investors within the meaning of article 174 (2) c) of the 2010 Law who are seeking a return similar to the reference Index. Investors should, however, be prepared to accept a tracking error between the Sub-fund performance and the Index performance though the objective of the Sub-Fund is to minimize this tracking error. Investors are also subject to the risks linked to equity market of the Eurozone (In this respect see also Appendix C Special Risk Considerations and Risk Factors).

INDEX DISCLAIMER

STOXX and its licensors have no link with the holder of the licence other than the licensing of the EURO STOXX ® TOTAL RETURN index and the associated registered trademarks for use in connection with this Sub-Fund.

STOXX and its licensors:

- give no guarantee as to opportunities to enter into a transaction on units in the Sub-Fund, which they also refrain from selling or promoting;
- make no investment recommendation whatsoever regarding the Sub-Fund or any other security;
- holds no liability nor is under any obligation regarding the administration, management or commercialisation of the Sub-Fund;
- are not obliged to take into consideration the needs of the Sub-Fund or its unit holders to determine, compose or calculate the EURO STOXX ® TOTAL RETURN Index.

STOXX and its licensors decline all liability relating to the Sub-Fund. More specifically,

- **STOXX and its licensors will not provide any express or implicit guarantee whatsoever regarding:**
  - **The results to be obtained by the Sub-Fund, unit holders of the Sub-Fund or any person - involved in using the EURO STOXX ® TOTAL RETURN Index and the data included in the EURO STOXX ® TOTAL RETURN Index**
  - **The accuracy or completeness of the EURO STOXX ® TOTAL RETURN Index and the data it contains**
  - **The negotiability of the EURO STOXX ® TOTAL RETURN Index and its data and their suitability for a particular usage or particular purpose**
  - **STOXX and its licensors cannot be made liable for any error, omission or disruption regarding the EURO STOXX ® TOTAL RETURN Index or the data it contains**
- **In no circumstances can STOXX and its licensors be made liable for any failure whatsoever to obtain a profit. The same applies to any indirect damages or losses even if STOXX and its licensors have been warned of such risks.**

The licence contract between LYXOR INTERNATIONAL ASSET MANAGEMENT and STOXX has been established in their sole interests and not in the interests of the unit holders of the Sub-Fund or third parties.

3 - Lyxor Index Fund –Lyxor ETF EURO STOXX 50 (DR)

The Reference Currency of the Sub-Fund is the EUR.

The Sub-Fund is compliant with the French Plan d'Epargne en Actions (PEA).

Investment Objective

The investment objective of Lyxor Index Fund – Lyxor EURO STOXX 50 (DR) is to track both the upward and the downward evolution of the EURO STOXX 50® NET RETURN (Net Dividend) (the "**Index**") denominated in Euro (EUR).

The anticipated level of the tracking error under normal market conditions is expected to be 0.85%.

The Index

The Index is a subset of the EURO STOXX® index. It comprises the 50 largest stocks belonging to countries in the Euro zone. These stocks are selected for their market capitalisation, their liquidity and their sector representativeness. The Index strives to comply with a weighting by country and by economic sector mirroring as closely as possible the economic structure of the Euro zone.

Publication of the Index

The Index is available in real time via Reuters and Bloomberg.
Via Reuters: .STOXX50ER
Via Bloomberg: SX5T

The monitored performance is based on the closing prices of the Index.

The complete methodology is available at www.stoxx.com/indices/.

Index composition and revision

The composition of this Index is revised annually.

A full description and the complete methodology for the construction of the Index and information on the composition and respective weightings of the Index is available on the website: http://www.stoxx.com/indices

The rebalancing frequency as described above will have no impact in terms of costs in the context of the performance of the investment objective.

Investment Policy

The Sub-Fund will carry out its investment objective via a Direct Replication as described in the present Prospectus.

The limits laid down in APPENDIX A – "INVESTMENT RESTRICTIONS" Prospectus are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body. This 20% cap will be monitored on each Index rebalancing date, based on the Index's calculation method, which limits exposure to equities of the same issuer to 20% and which is calculated by the Index sponsor or calculation agent. This 20% cap may be raised to 35% for a single issuer when justified by exceptional market conditions, for example when some securities are predominant and/or in the event of strong volatility of a financial instrument or securities linked to an economic sector represented in the Index. This could be the case if takeover bid does affect one of the securities in the Index or in the event of a significant restriction on liquidity affecting one or more financial instruments in the Index.

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with the Appendix B of this Prospectus.

Classes of Shares

This Sub-Fund issues the following Classes of Shares: IE Shares, SE Shares, SE-D Shares, OE Shares, UCITS ETF C-EUR Shares, UCITS ETF D-EUR Shares and UCITS ETF Daily Hedged C-GBP Shares (See hereafter chapter IV *INVESTING IN THE COMPANY A. THE SHARES).*

Investor's attention is drawn to the fact that this Sub-Fund issues both UCITS ETF Classes of Shares listed on several stock exchanges and other Classes of Shares which are not listed. For further information on the UCITS ETF Classes of Shares or other Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics.

Notwithstanding the arrangements of chapter VII. DISTRIBUTION POLICY, dividends will be distributed for the SE-D Shares on quarterly or yearly basis as may be decided from time to time by the Board of Directors.

The IE Shares of the Sub-Fund have been offered for subscription on January 24, 2007 at the initial price of EUR 1,000. Payment for Shares subscribed during this period had to be made with value date on January 29, 2007. Since this date, the Net Asset Value per Share of this Sub-Fund is calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the IE Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

The SE Shares of the Sub-Fund have been offered for subscription on January 24, 2007 at the initial price of EUR 1,000. Payment for Shares subscribed during this period had to be made with value date on January 29, 2007. Since this date, the Net Asset Value per Share of this Sub-Fund is calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the SE Shares is of EUR 10,000,000. The minimum subsequent subscription is of one (1) Share.

The SE-D Shares of the Sub-Fund have been offered for subscription on April 26, 2011 at the initial price of EUR 1,000. Payment for Shares subscribed during this period had to be made with value date on April 27, 2011. Since this date, the Net Asset Value per Share of this Sub-Fund is calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the SE-D Shares is of EUR 10,000,000. The minimum subsequent subscription is of one (1) Share.

The OE Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the OE Shares will be offered at the initial price of EUR 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the OE Shares is of EUR 5,000,000. The minimum subsequent subscription is of one (1) Share.

The UCITS ETF C-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the UCITS ETF C-EUR Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the UCITS ETF C-EUR Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

The UCITS ETF D-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the UCITS ETF D-EUR Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the UCITS ETF D-EUR Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

The UCITS ETF Daily Hedged C-GBP Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the UCITS ETF Daily Hedged C-GBP Shares will be offered at the initial price of GBP 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the UCITS ETF Daily Hedged C-GBP Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

Principal risks

Among the different risks described in *Appendix C – Special Risks Considerations and Risk Factors*, the Sub-Fund is more specifically exposed to the following risks: Equity Risk, Capital at Risk, Currency Risk, Risks in relation to the index or the reference strategy sampling replication, Liquidity Risk on Secondary Market, Sub-Fund Liquidity Risk, Risk of using financial derivative instruments, Risk that the Sub-Fund's investment objective is only partially achieved.

Risk Management

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

This Sub-Fund is dedicated to Institutional Investors within the meaning of article 174 (2) c) of the 2010 Law who are seeking a return similar to the reference Index. Investors should, however, be prepared to accept a tracking error between the Sub-fund performance and the Index performance though the objective of the Sub-Fund is to minimize this tracking error. Investors are also subject to the risks linked to Eurozone Large Cap Equity market (In this respect see also Appendix C Special Risk Considerations and Risk Factors).

INDEX DISCLAIMER

STOXX and its licensors have no link with the holder of the licence other than the licensing of the EURO STOXX 50® NET RETURN index and the associated registered trademarks for use in connection with this Sub-Fund.

STOXX and its licensors:

- give no guarantee as to opportunities to enter into a transaction on units in the Sub-Fund, which they also refrain from selling or promoting;
- make no investment recommendation whatsoever regarding the Sub-Fund or any other security;
- holds no liability nor is under any obligation regarding the administration, management or commercialisation of the Sub-Fund;
- are not obliged to take into consideration the needs of the Sub-Fund or its unit holders to determine, compose or calculate the EURO STOXX 50® NET RETURN Index.

STOXX and its licensors decline all liability relating to the Sub-Fund. More specifically,

- **STOXX and its licensors will not provide any express or implicit guarantee whatsoever regarding:**
  - **The results to be obtained by the Sub-Fund, unit holders of the Sub-Fund or any person - involved in using the EURO STOXX 50® NET RETURN Index and the data included in the EURO STOXX 50® NET RETURN Index**
  - **The accuracy or completeness of the EURO STOXX 50® NET RETURN Index and the data it contains**
  - **The negotiability of the EURO STOXX 50® NET RETURN Index and its data and their suitability for a particular usage or particular purpose**
  - **STOXX and its licensors cannot be made liable for any error, omission or disruption regarding the EURO STOXX 50® NET RETURN Index or the data it contains**
- **In no circumstances can STOXX and its licensors be made liable for any failure whatsoever to obtain a profit. The same applies to any indirect damages or losses even if STOXX and its licensors have been warned of such risks.**

The licence contract between LYXOR INTERNATIONAL ASSET MANAGEMENT and STOXX has been established in their sole interests and not in the interests of the unit holders of the Sub-Fund or third parties.

4 - Lyxor Index Fund – Lyxor USD Liquid Investment Grade Corporate Bonds UCITS ETF

The Reference Currency of the Sub-Fund is the USD.

Investment Objective

The investment objective of **Lyxor Index Fund – Lyxor USD Liquid Investment Grade Corporate Bonds UCITS ETF** is to track both the upward and the downward evolution of the Markit iBoxx USD Liquid Investment Grade 150 Mid Price TCA Index (the "Index") denominated in US Dollar (USD) representative of the performance of the 150 largest and most liquid investment grade corporate bonds issued in US Dollar.

The anticipated level of the tracking error under normal market conditions is expected to be 0.02 %.

The Index

The Index provides a balanced representation of the US Dollar investment grade corporate bond market by the means of the most liquid investment grade corporate bonds available and ensuring issuer diversification.

The eligible bonds are US Dollar denominated fixed rate bonds issued by companies in developed markets and rated by at least one of 3 rating services: Moody's Investors Service, Standard & Poor's Rating Services, or Fitch Ratings.Only investment grade bonds are eligible to the Index. Investment grade is defined as BBB- or above from Fitch or S&P and Baa3 or above from Moody's. If a bond is rated by more than one of the above agencies, the average rating is calculated based upon Markit iBoxx methodology.

Among all the universe of USD denominated investment grade corporate bonds, Markit selects the most liquid bonds upon a minimum amount outstanding level defined per sector :

- health care & Utilities bonds must have a minimum amount outstanding of USD 500 Million;
- financials bonds must have a minimum amount outstanding of USD 2 Billion;
- industrials, Oil&Gas, Technologies, Telecom bonds must have a minimum amount outstanding of USD 1.5 Billion;
- all other bonds must have a minimum amount outstanding of USD 1 Billion.

To ensure the Index selects the most liquid securities, only bonds with more than 2 years time to maturity are eligible. Finally, to ensure the Index basket is highly diversified, only one bond per issuer is selected upon the ranking criterias defined below :

- the highest amount outstanding bond will be selected;
- if amounts outstandings are equal, then the bond presenting the highest time to maturity is selected;
- if times to maturity are equal, then the bond presenting the latest issue date is selected.

The weight of each component is calculated based upon the market value of the bond.

The Index applies a cap of 3% per issuer and a 10% cap for Rule 144A bonds which do not have registration rights or for which the registration period is greater than one year.

The Index is a Total Return index. A total return index calculates the performance of the index constituents on the basis that any dividends or distributions are included in the index returns.

The Index is priced at mid (i.e. the average of the current bid and ask prices of the Index constituents).

Publication of the Index

The Index is available in real time via Reuters and Bloomberg.
Via Reuters: .IBXXLMD3
Via Bloomberg: IBXXLMD3

The monitored performance is based on the closing prices of the Index.

The complete methodology is available at www.markit.com/product/indices

Index composition and revision

The composition of this Index is revised monthly.

A full description and the complete methodology for the construction of the Index and information on the composition and respective weightings of the Index is available on the website: www.markit.com/product/indices

The rebalancing frequency as described above will have no impact in terms of costs in the context of the performance of the investment objective.

Investment Policy

The Sub-Fund will carry out its investment objective via an Indirect Replication as described in the present Prospectus.

The limits laid down in APPENDIX A – "INVESTMENT RESTRICTIONS"

Prospectus are raised to a maximum of 20% for investments in bonds issued by the same issuer. This 20% cap will be monitored on each Index rebalancing date, based on the Index's calculation method, which limits exposure to bonds of the same issuer to 20% and which is calculated by the Index sponsor or calculation agent. This 20% limit can be increased to 35% for a single bond issuer, when this is justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility of a debt issue, or in the case of an event of a political and/or economic event which affects or could affect the assessment of the issuer's debt or the issuer's credit rating, or in any other event which could affect the liquidity of an Index constituent

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with the Appendix B of this Prospectus.

Classes of Shares

This Sub-Fund issues the following Classes of Shares: C-USD, D-USD, Monthly Hedged C-EUR, Monthly Hedged D-EUR (see hereafter chapter IV *INVESTING IN THE COMPANY A. THE SHARES).*

Investors' attention is drawn to the fact that this Sub-Fund is an UCITS ETF listed on several stock exchanges. For further information on the Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics.

The C-USD and D-USD Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the C-USD and D-USD Shares will be offered at the initial price of USD 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the C-USD and D-USD Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-EUR and Monthly Hedged D-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-EUR and Monthly Hedged D-EUR Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C-EUR and Monthly Hedged D-EUR Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-CHF and Monthly Hedged D-CHF Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-CHF and Monthly Hedged D-CHF Shares will be offered at the initial price of CHF 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C-CHF and Monthly Hedged D-CHF Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

Principal risks

Among the different risks described in *Appendix C – Special Risks Considerations and Risk Factors*, the Sub-Fund is more specifically exposed to the following risks: Credit Risk, Capital at Risk, Counterparty Risk, Risk of using financial derivative instruments, Interest Rate Risk, Liquidity Risk on Secondary Market, Sub-Fund Liquidity Risk, Risk that the Sub-Fund's investment objective is only partially achieved.

Risk Management

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

This Sub-Fund is dedicated to Institutional Investors within the meaning of article 174 (2) c) of the 2010 Law who are seeking a return similar to the reference Index. Investors should, however, be prepared to accept a tracking error between the Sub-fund performance and the Index performance though the objective of the Sub-Fund is to minimize this tracking error. Investors are also subject to the risks linked to US Investment Grade Corporate Bonds market (in this respect see also Appendix C Special Risk Considerations and Risk Factors).

INDEX DISCLAIMER

The Index referred to here is the property of Markit Indices Limited ("the Index Sponsor") and it is used under licence for the Sub-Fund.

The parties agree that the Index Sponsor does not approve, endorse or recommend the Sub-Fund.

Under no circumstances does the Index Sponsor provide any guarantee - whether explicit or implicit (including but not limited to the commercial value or appropriateness for any specific use or utilisation) - pertaining to the Index or any data included in or linked to the Index and, in particular, declines any guarantee relating to the quality, accuracy and/or exhaustiveness of the Index or the data included in or linked to the Index, or the results obtained from use of the Index and/or the composition of the Index at a given date or moment, likewise the financial rating of any issuing entity or any credit or similar event (irrespective of the definition of such) relating to a bond in the Index at a given date or at any other time.

The Index Sponsor cannot be held liable for any reason whatsoever in terms of an error in the Index, and the Index Sponsor is not required to inform of such an error, in the event it would occur.

Under no circumstances does the Index Sponsor issue a recommendation to buy or sell the Sub-Fund nor does it express an opinion concerning the ability of the Index to replicate the performance of the markets in question, or concerning the Index or any transaction or product related to it, or indeed the corresponding risks.

The Index Sponsor is under no obligation to take the needs of a third party into consideration during the determination, modification in the composition or calculation of the Index. The purchaser or a seller of the Sub-Fund and the Index Sponsor cannot be held liable in the event the Index Sponsor does not take the necessary measures in determining, adjusting or calculating the Index.

The Index Sponsor and its related companies retain the right to process any of the bonds making up the Index, and may, when permitted, accept deposits, make loans or perform any other credit activity, and more generally carry out all or any investment banking and finance service or other commercial activity with these bonds' issuers or their related companies, and they may enter into such activities as though the Index did not exist, without taking into account any consequences such action may have on the Index or the Sub-Fund.

5 - Lyxor Index Fund – Lyxor Australia Sovereign Bonds UCITS ETF (DR)

The Reference Currency of the Sub-Fund is the USD.

Investment Objective

The investment objective of **Lyxor Index Fund – Lyxor Australia Sovereign Bonds UCITS ETF (DR)** is to reflect the performance of the Markit iBoxx AUD Sovereigns Mid Price TCA Index (the "Benchmark Index") denominated in US Dollar (USD) representative of the performance of the Australia sovereign bonds market.

The anticipated tracking error ex-post in normal market conditions is expected to be 0.26%.

The Benchmark Index:

The Benchmark Index provides an exposure to Australia sovereign bonds market, for all maturities.

The weight of each component is calculated based upon the market value of the bond.

The Benchmark Index provides investors with an exposure to pure Australian Govies: eligible bonds must be denominated in Austalian Dollar (AUD) and country of risk must be Australia.

Liquidity filters are defined as follows: only bonds with amount outstanding above AUD 2bn and time to maturity above 1 year are eligible within the Benchmark Index.

Only local currency bonds issued by Australian sovereign state are eligible. The following bond types are eligible for the Benchmark Index:

- fixed coupon bonds;
- zero coupon bonds.

The following bond types are excluded from the Benchmark Index:

- floating rate notes;
- fixed-to-floater bonds;
- sinking funds and amortizing bonds;
- inflation-linked bonds;
- perpetual bonds;
- callable bonds.

The Benchmark Index is a Total Return index. A total return index calculates the performance of the index constituents on the basis that any dividends or distributions are included in the index returns.

The Index is priced at mid (i.e. the average of the current bid and ask prices of the Index constituents).

Publication of the Benchmark Index:

The Benchmark Index is available in real time via Reuters and Bloomberg.
Via Reuters: IBXXAUMT
Via Bloomberg: IBXXAUMT

The monitored performance is based on the closing prices of the Benchmark Index.

The complete methodology is available at www.markit.com/product/indices

Benchmark Index composition and revision:

The composition of the Benchmark Index is revised monthly.

A full description and the complete methodology for the construction of the Benchmark Index and information on the composition and respective weightings of the Benchmark Index is available on the website: www.markit.com/product/indices

The rebalancing frequency as described above will have no impact in terms of costs in the context of the performance of the investment objective.

Investment Policy

The Sub-Fund is actively managed and will carry out its investment objective via a Direct Replication as described in the present Prospectus.

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with the Appendix B of this Prospectus.

Classes of Shares

This Sub-Fund issues the following Classes of Shares: C-USD, D-USD, Monthly Hedged C-EUR, Monthly Hedged D-EUR, Monthly Hedged C-USD and Monthly Hedged D-USD (see hereafter chapter IV *INVESTING IN THE COMPANY A. THE SHARES).*

Investors' attention is drawn to the fact that this Sub-Fund is an UCITS ETF listed on several stock exchanges. For further information on the Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics.

The C-USD and D-USD Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the C-USD and D-USD Shares will be offered at the initial price of USD 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Benchmark Index is not available (these days not being Business Days). The minimum initial investment for the C-USD and D-USD Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-EUR and Monthly Hedged D-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-EUR and Monthly Hedged D-EUR Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Benchmark Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C-EUR and Monthly Hedged D-EUR Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-USD and Monthly Hedged D-USD Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-USD and Monthly Hedged D-USD Shares will be offered at the initial price of USD 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Benchmark Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C-USD and Monthly Hedged D-USD Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

Principal risks

Among the different risks described in *Appendix C – Special Risks Considerations and Risk Factors*, the Sub-Fund is more specifically exposed to the following risks: Credit Risk, Capital at Risk,_Risk of using financial derivative instruments, Currency Risk, Interest Rate Risk, Liquidity Risk on Secondary Market, Sub-Fund Liquidity Risk, Risk that the Sub-Fund's investment objective is only partially achieved.

Risk Management

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

This Sub-Fund is dedicated to Institutional Investors within the meaning of article 174 (2) c) of the 2010 Law who are seeking a return similar to the Benchmark Index. Investors should, however, be prepared to accept a tracking error between the Sub-fund performance and the Benchmark Index performance though the objective of the Sub-Fund is to minimize this tracking error. Investors are also subject to the risks linked to Australian government bonds market. (In this respect see also Appendix C Special Risk Considerations and Risk Factors).

INDEX DISCLAIMER

The Index referred to here is the property of Markit Indices Limited (the "Index Sponsor") and it is used under licence for the Sub-Fund.

The parties agree that the Index Sponsor does not approve of, endorse or recommend the Sub-Fund.

Under no circumstances does the Index Sponsor provide any guarantee - whether explicit or implicit (including but not limited to the commercial value or appropriateness for any specific use or utilisation) - pertaining to the Index or any data included in or linked to the Index and, in particular, declines any guarantee relating to the quality, accuracy and/or exhaustiveness of the Index or the data included in or linked to the Index, or the results obtained from use of the Index and/or the composition of the Index at a given date or moment, likewise the financial rating of any issuing entity or any credit or similar event (irrespective of the definition of such) relating to a bond in the Index at a given date or at any other time.

The Index Sponsor cannot be held liable for any reason whatsoever in terms of an error in the Index, and the Index Sponsor is not required to inform of such an error, in the event it would occur.

Under no circumstances does the Index Sponsor issue a recommendation to buy or sell the Sub-Fund, nor does it express an opinion concerning the ability of the Index to replicate the performance of the markets in question, or concerning the Index or any transaction or product related to it, or indeed the corresponding risks.

The Index Sponsor is under no obligation to take the needs of a third party into consideration during the determination, modification in the composition or calculation of the Index. The purchaser or a seller of the Sub-Fund and the Index Sponsor cannot be held liable in the event the Index Sponsor does not take the necessary measures in determining, adjusting or calculating the Index.

The Index Sponsors and their related companies retain the right to process any of the bonds making up the Index, and may, when permitted, accept deposits, make loans or perform any other credit activity, and more generally carry out all or any investment banking and finance service or other commercial activity with these bonds' issuers or their related companies, and they may enter into such activities as though the Index did not exist, without taking into account any consequences such action may have on the Index or the Sub-Fund.

6 - Lyxor Index Fund – Lyxor BofAML $ High Yield Bond UCITS ETF Fund

The Reference Currency of the Sub-Fund is the USD.

Investment Objective

The investment objective of **Lyxor Index Fund – Lyxor BofAML $ High Yield Bond UCITS ETF** is to track both the upward and the downward evolution of the BofA Merrill Lynch US High Yield Constrained Index (the "**Index**") denominated in US Dollar (USD) representative of the performance of the US Dollar denominated sub-investment grade corporate bonds issued in the US domestic market.

The anticipated level of the tracking error under normal market conditions is expected to be 0.08 %.

The Index

The Index provides a balanced representation of the US Dollar denominated high yield corporate bonds market.

The Index contains all securities in the BofA Merrill Lynch US High Yield Index (the "**Reference Index**") – including 144a securities, pay-in-kind securities, zero coupon bonds, fixed-to-floating rate securities and callable perpetual bonds – but caps issuer exposure at 2% based on their market value. The full methodology is available on http://www.mlindex.ml.com.

The eligible bonds are US Dollar denominated sub-investment grade bonds (based on an average of Moody's, S&P and Fitch), publicly issued in the US domestic market, with country exposure to FX-G10 (which includes all Euro members, the USA, Japan, the UK, Canada, Australia, New Zealand, Switzerland, Norway and Sweden), Western Europe or territories of the US and Western Europe (which may include, for example, Isle of Man, Puerto Rico).

Merrill Lynch has determined a proprietary composite rating algorithm which is an average based on ratings by Moody's, S&P and Fitch. All the bonds rated BB1 or lower as per Merrill Lynch composite rating are allowed for inclusion in the Index.

The bonds need to comply with ratings, maturity, amount outstanding and coupon related criteria. Non-vanilla bonds (such as callable perpetual bonds, pay-in kind securities, zero coupon bonds, fixed-to-floater bonds) are also eligible subject to the conditions specified in the Index rules. Capital securities where conversion can be mandated by a regulatory authority, but which have no specified trigger, are included.

The Index is a Total Return index. A total return index calculates the performance of the index constituents on the basis that any dividends or distributions are included in the index returns.

The Index is priced using the bid prices of the Index constituents.

Publication of the Index

The Index is available in real time via Reuters and Bloomberg.

Via Reuters: MERHUC0

Via Bloomberg: HUC0

The monitored performance is based on the closing prices of the Index.

The complete methodology is available at http://www.mlindex.ml.com

The Index is calculated by BofA Merrill Lynch

Index composition and revision

The composition of this Index is revised monthly.

A full description and the complete methodology for the construction of the Index and information on the composition and respective weightings of the Index is available on the website: http://www.mlindex.ml.com

The rebalancing frequency as described above will have no impact in terms of costs in the context of the performance of the investment objective.

Investment Policy

The Sub-Fund will carry out its investment objective via an Indirect Replication as described in the present Prospectus.

The limits laid down in *APPENDIX A – "INVESTMENT RESTRICTIONS"* of the present Prospectus are raised to a maximum of 20% for investments in bonds issued by the same issuer. This 20% cap will be monitored on each Index rebalancing date, based on the Index's calculation method, which limits exposure to bonds of the same issuer to 20% and which is calculated by the Index sponsor or calculation agent. This 20% limit can be increased to 35% for a single bond issuer, when this is justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility of a debt issue, or in the case of an event of a political and/or economic event which affects or could affect the assessment of the issuer's debt or the issuer's credit rating, or in any other event which could affect the liquidity of an Index constituent

For the avoidance of doubt, any collateral received by the Sub-Fund is posted outright on the account of the Sub-Fund open in the Depositary's books. As such, collateral received will be recorded on the Sub-Fund assets. In case of counterparty default, the Sub-Fund can dispose of the assets received from the defaulting counterparty in order to extinguish the debt of this counterparty vis-a-vis the Sub-Fund under the guaranteed transaction.

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with the Appendix B of this Prospectus.

Classes of Shares

This Sub-Fund issues the following Classes of Shares: C-USD, D-USD, Monthly Hedged C-EUR, Monthly Hedged D-EUR, Monthly Hedged C-GBP, Monthly Hedged D-GBP, Monthly Hedged C-CHF, Monthly Hedged D-CHF (see hereafter chapter IV *INVESTING IN THE COMPANY A. THE SHARES).*

Investors' attention is drawn to the fact that this Sub-Fund is an UCITS ETF listed on several stock exchanges. For further information on the Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics.

The C-USD and D-USD Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the C-USD and D-USD Shares will be offered at the initial price of USD 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the C-USD and D-USD Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-EUR and Monthly Hedged D-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-EUR and Monthly Hedged D-EUR Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C-EUR and Monthly Hedged D-EUR Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-GBP and Monthly Hedged D-GBP Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-GBP and Monthly Hedged D-GBP Shares will be offered at the initial price of GBP 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C-GBP and Monthly Hedged D-GBP Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-CHF and Monthly Hedged D-CHF Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-CHF and Monthly Hedged D-CHF Shares will be offered at the initial price of CHF 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C-CHF and Monthly Hedged D-CHF Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

Principal risks

Among the different risks described in *Appendix C – Special Risks Considerations and Risk Factors*, the Sub-Fund is more specifically exposed to the following risks: Credit Risk, Capital at Risk, Counterparty Risk, Risk of using financial derivative instruments, Currency Risk Interest Rate Risk, Liquidity Risk on Secondary Market, Sub-Fund Liquidity Risk, Risk that the Sub-Fund's investment objective is only partially achieved.

Other risks are:

Non-Investment Grade Investments (High Yield)

The Sub-Fund will be exposed to bonds that are rated sub-investment grade. Those securities may be subject to a greater risk of loss of income and principal in case of default or insolvency of the borrower than similar higher rated securities and their market value may also be more volatile.

Liquidity and valuation Risks

Certain hybrid capital securities, such as capital securities where conversion can be mandated by a regulatory authority (but without specified trigger), certain junior subordinated securities or securities defaulted or near default may be substantially less liquid than many other securities, such as US Government securities. Illiquid securities involve the risk that the securities will not be able to be sold at the time desired or at prices approximating the value at which the Sub-Fund is carrying the securities on its books.

Such illiquid securities may result in a valuation risk for the Sub-fund as financial providers may temporarily not be able to determine a closing price or a fair price for those securities. The price of such illiquid securities may also be very volatile and could be suddenly and significantly impaired compared to the latest available trading price.

Risk Management

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

INDEX DISCLAIMER

Lyxor BofAML $ High Yield Bond UCITS ETF (The "Sub-Fund") is not sponsored, endorsed, sold or promoted by Merrill Lynch, Pierce, Fenner & Smith Incorporated ("BofA Merrill Lynch"). BofA Merrill Lynch has not passed on the legality or suitability of, or the accuracy or adequacy of descriptions and disclosures relating to, the Sub-Fund, nor makes any representation or warranty, express or implied, to the owners of the Sub-Fund or any member of the public regarding the Sub-Fund or the advisability of investing in the Product, particularly the ability of the BofA Merrill Lynch US High Yield Constrained Index ("Index") to track performance of any market or strategy BofA Merrill Lynch's only relationship to BofA Merrill Lynch ("Licensee") is the licensing of certain trademarks and trade names and the Index or components thereof. The Index is determined, composed and calculated by BofA Merrill Lynch without regard to the Licensee or the Sub-Fund or its holders. BofA Merrill Lynch has no obligation to take the needs of the Licensee or the holders of the Sub-Fund into consideration in determining, composing or calculating the Index. BofA Merrill Lynch is not responsible for and has not participated in the determination of the timing of, prices of, or quantities of the Sub-Fund to be issued or in the determination or calculation of the equation by which the Sub-Fund is to be priced, sold, purchased, or redeemed. BofA Merrill Lynch has no obligation or liability in connection with the administration, marketing, or trading of the Sub-Fund.

BOFA MERRILL LYNCH DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE INDEX OR ANY DATA INCLUDED THEREIN AND BOFA MERRILL LYNCH SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, UNAVAILABILITY, OR INTERRUPTIONS THEREIN. BOFA MERRILL LYNCH MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, HOLDERS OF THE SUB-FUND OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEX OR ANY DATA INCLUDED THEREIN. BOFA MERRILL LYNCH MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL BOFA MERRILL LYNCH HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, INCIDENTAL, CONSEQUENTIAL DAMAGES, OR LOST PROFITS, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

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7 - Lyxor Index Fund – Lyxor $ Floating Rate Note UCITS ETF

The Reference Currency of the Sub-Fund is the USD.

Investment Objective

The investment objective of **Lyxor $ Floating Rate Note UCITS ETF** (the "Sub-Fund") is to track both the upward and the downward evolution of the Bloomberg Barclays US Corporate FRN 2-7Yr Index (the "Index"), denominated in US Dollar (USD), representative of the performance of the USD corporates floating rate notes market.

The anticipated ex-post tracking error under normal market conditions is 0.08%.

The Index

The Index provides a balanced representation of the USD corporates floating rate notes market.

To be eligible for inclusion in the Index, a bond must meet specific criteria pertaining to its currency (principal and interest must be denominated in USD), residual maturity (between two and seven years until final maturity), age (bonds issued more than two years ago are not eligible), size (at least USD 500 millions minimum par amount outstanding), coupons (fixed rate coupon bonds are excluded), issuer (only corporate issuers are eligible), and credit ratings (only investment grade bonds are eligible).

Publication of the Index

The Index is available in real time via Reuters and Bloomberg.

Via Reuters: [•]

Via Bloomberg: BF27TRUU

The monitored performance is based on the closing prices of the Index.

The complete methodology is available at https://index.barcap.com

The Index is calculated by Bloomberg Barclays

Index composition and revision

The weight of each Index component is determined using the market value of the bond.

The Index is based, in particular, on prices provided by BVAL (Bloomberg Valuation).

The Index is calculated daily.

The Index is compiled, administered and managed by Bloomberg Barclays.

The composition of the Index is reviewed and re-balanced on the last business day of each month.

The Index is a total return index. A total return index calculates the performance of the index constituents on the basis that any coupons or distributions are included in the index returns.

The complete methodology for the Index (including maintenance and rebalancing of the Index) is available for consultation on the following website: https://index.barcap.com.

The rebalancing frequency as described above will have no impact in terms of costs in the context of the performance of the investment objective.

Investment Policy

The Sub-Fund will carry out its investment objective via an Indirect Replication as described in the present Prospectus.

The limits laid down in *APPENDIX A – "INVESTMENT RESTRICTIONS"* of the present Prospectus are raised to a maximum of 20% for investments in bonds issued by the same issuer. This 20% cap will be monitored on each Index rebalancing date, based on the Index's calculation method, which limits exposure to bonds of the same issuer to 20% and which is calculated by the Index sponsor or calculation agent. This 20% limit can be increased to 35% for a single bond issuer, when this is justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility of a debt issue, or in the case of an event of a political and/or economic event which affects or could affect the assessment of the issuer's debt or the issuer's credit rating, or in any other event which could affect the liquidity of an Index constituent

For the avoidance of doubt, any collateral received by the Sub-Fund is posted outright on the account of the Sub-Fund open in the Depositary's books. As such, collateral received will be recorded on the Sub-Fund assets. In case of counterparty default, the Sub-Fund can dispose of the assets received from the defaulting counterparty in order to extinguish the debt of this counterparty vis-a-vis the Sub-Fund under the guaranteed transaction.

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with the Appendix B of this Prospectus.

Classes of Shares

This Sub-Fund issues the following Classes of Shares: C-USD, D-USD, Monthly Hedged C-EUR, Monthly Hedged D-EUR, Monthly Hedged C-GBP, Monthly Hedged D-GBP, Monthly Hedged C-CHF, Monthly Hedged D-CHF (see hereafter chapter IV *INVESTING IN THE COMPANY A. THE SHARES).*

Investors' attention is drawn to the fact that this Sub-Fund is an UCITS ETF listed on several stock exchanges. For further information on the Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics.

The C-USD and D-USD Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the C-USD and D-USD Shares will be offered at the initial price of USD 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the C-USD and D-USD Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-EUR and Monthly Hedged D-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-EUR and Monthly Hedged D-EUR Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C-EUR and Monthly Hedged D-EUR Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-GBP and Monthly Hedged D-GBP Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-GBP and Monthly Hedged D-GBP Shares will be offered at the initial price of GBP 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C-GBP and Monthly Hedged D-GBP Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-CHF and Monthly Hedged D-CHF Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-CHF and Monthly Hedged D-CHF Shares will be offered at the initial price of CHF 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days

not being Business Days). The minimum initial investment for the Monthly Hedged C-CHF and Monthly Hedged D-CHF Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

Principal risks

Among the different risks described in *Appendix C – Special Risks Considerations and Risk Factors*, the Sub-Fund is more specifically exposed to the following risks: Credit Risk, Capital at Risk, Counterparty Risk, Risk of using financial derivative instruments, Currency Risk, Currency Hedge Risk applicable to the Monthly Hedged share classes,Interest Rate Risk, Low diversification Risk, Liquidity Risk on Secondary Market, Sub-Fund Liquidity Risk, Risk that the Sub-Fund's investment objective is only partially achieved.

Risk Management

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

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Neither Barclays Bank PLC, Barclays Capital Inc., nor any affiliate (collectively "Barclays") nor Bloomberg is the issuer or producer of Lyxor $ Floating Rate Note UCITS ETF and neither Bloomberg nor Barclays has any responsibilities, obligations or duties to investors in Lyxor $ Floating Rate Note UCITS ETF. The Bloomberg Barclays US Corporate FRN 2-7 Yr Index is licensed for use by LYXOR INTERNATIONAL ASSET MANAGEMENT as the Issuer of Lyxor $ Floating Rate Note UCITS ETF. The only relationship of Bloomberg and Barclays with the Issuer in respect of Bloomberg Barclays US Corporate FRN 2-7 Yr Index is the licensing of the Bloomberg Barclays US Corporate FRN 2-7 Yr Index, which is determined, composed and calculated by BISL, or any successor thereto, without regard to the Issuer or the Lyxor $ Floating Rate Note UCITS ETF or the owners of the Lyxor $ Floating Rate Note UCITS ETF
Additionally, LYXOR INTERNATIONAL ASSET MANAGEMENT, issuer of the Lyxor $ Floating Rate Note UCITS ETF may for itself execute transaction(s) with Barclays in or relating to the Bloomberg Barclays US Corporate FRN 2-7 Yr Index in connection with Lyxor $ Floating Rate Note UCITS ETF. Investors acquire Lyxor $ Floating Rate Note UCITS ETF from LYXOR INTERNATIONAL ASSET MANAGEMENT and investors neither acquire any interest in Bloomberg Barclays US Corporate FRN 2-7 Yr Index nor enter into any relationship of any kind whatsoever with Bloomberg or Barclays upon making an investment in Lyxor $ Floating Rate Note UCITS ETF. The Lyxor $ Floating Rate Note UCITS ETF are not sponsored, endorsed, sold or promoted by Bloomberg or Barclays. Neither Bloomberg nor Barclays makes any representation or warranty, express or implied, regarding the advisability of investing in the Lyxor $ Floating Rate Note UCITS ETF or the advisability of investing in securities generally or the ability of the Bloomberg Barclays US Corporate FRN 2-7 Yr Index to track corresponding or relative market performance. Neither Bloomberg nor Barclays has passed on the legality or suitability of the Lyxor $ Floating Rate Note UCITS ETF with respect to any person or entity. Neither Bloomberg nor Barclays is responsible for or has participated in the determination of the timing of, prices at, or quantities of the Lyxor $ Floating Rate Note UCITS ETF to be issued. Neither Bloomberg nor Barclays has any obligation to take the needs of the Issuer or the owners of the Lyxor $ Floating Rate Note UCITS ETF or any other third party into consideration in determining, composing or calculating the Bloomberg Barclays US Corporate FRN 2-7 Yr Index. Neither Bloomberg nor Barclays has any obligation or liability in connection with administration, marketing or trading of the Lyxor $ Floating Rate Note UCITS ETF.

The licensing agreement between Bloomberg and Barclays is solely for the benefit of Bloomberg and Barclays and not for the benefit of the owners of the Lyxor $ Floating Rate Note UCITS ETF, investors or other third parties. In addition, the licensing agreement between LYXOR INTERNATIONAL ASSET MANAGEMENT and Bloomberg is solely for the benefit of LYXOR INTERNATIONAL ASSET MANAGEMENT and Bloomberg and not for the benefit of the owners of the Lyxor $ Floating Rate Note UCITS ETF, investors or other third parties.

NEITHER BLOOMBERG NOR BARCLAYS SHALL HAVE ANY LIABILITY TO THE ISSUER, INVESTORS OR OTHER THIRD PARTIES FOR THE QUALITY, ACCURACY AND/OR COMPLETENESS OF THE BLOOMBERG BARCLAYS US CORPORATE FRN 2-7 YR INDEX OR ANY DATA INCLUDED THEREIN OR FOR INTERRUPTIONS IN THE DELIVERY OF THE BLOOMBERG BARCLAYS US CORPORATE FRN 2-7 YR INDEX. NEITHER BLOOMBERG NOR BARCLAYS MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY THE ISSUER, THE INVESTORS OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE BLOOMBERG BARCLAYS US CORPORATE FRN 2-7 YR INDEX OR ANY DATA INCLUDED THEREIN. NEITHER BLOOMBERG

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B – RISK FACTOR STRATEGY SUB-FUNDS

1 - Lyxor Index Fund – Lyxor J.P. Morgan Europe Low Beta Factor Index UCITS ETF

The Reference Currency of the Sub-Fund is the EUR.

The Sub-Fund is compliant with the French Plan d'Epargne en Actions (PEA).

Investment Objective

The investment objective of the **Lyxor Index Fund – Lyxor J.P. Morgan Europe Low Beta Factor Index UCITS ETF** is to track both the upward and the downward evolution of the J.P. Morgan Equity Risk Premia - Europe LOW BETA FACTOR Long Only Index (the "**Index**") (Bloomberg Code: JPERPLBE), denominated in EUR and representative of the performance of 40 stocks with low beta within the MSCI Europe Index (Bloomberg Code: MXEU Index) (the "**MSCI Europe Index**"), based on their beta relative to their local equity market over the last 12 months.

The anticipated Tracking Error ex-post in normal market conditions is expected to be 0.08%.

General description of the Index

The Index is a long-only rules based index which seeks to generate returns by selecting stocks based on an Equity Risk Premium Factor which in this case is the Beta Factor, as described below.

The Index construction

The Index selects 40 stocks from the constituents of the MSCI Europe Index, with the exception of certain stocks which do not satisfy certain eligibility criteria as set out in the Index rules. The Index provides synthetic long exposure to the performance of these selected 40 stocks, in accordance with the Index calculation methodology.

On each rebalancing selection date the selection of the eligible stocks is made in accordance with the Index calculation methodology on the basis of the Equity Risk Premium Factor, which is represented in this case by the sensitivity of the returns of an eligible stock to the returns of its local equity market over a 1 year period immediately preceding a rebalancing selection date, as calculated and published by Factset Research System Inc (the "**Beta Factor**").

The Beta Factor in respect of each eligible stock is then normalised by comparing the Beta Factor of such eligible stock against the Beta Factor of all other eligible stocks from the same sector as defined in the Index rules. The normalisation process aims to reduce sectoral bias which may otherwise lead to a high concentration in one or a few sectors. A ranking methodology will then be applied to all eligible stocks and the 40 stocks with the lowest normalised Beta Factor are selected subject to certain tradability criteria as set out in the Index rules. The selected eligible stocks are then equally weighted and will form the constituent stocks of the Index in respect of the related rebalancing date.

The Index is a net total return index. A net total return index calculates the performance of the index constituents on the basis that any dividends or distributions are reinvested net of any withholding tax applicable.

Publication of the Index

The Index level is calculated and published daily by Solactive AG. The Index level is available via the following website: jpmorganindices.com. The Index level is also available daily via Bloomberg: JPERPLBE

The Sub-Fund tracks the Index based on the closing levels of the Index.

The complete methodology of the Index and the Questions and Answers document (Q&A) is available on jpmorganindices.com

Index composition and revision

The Index will be rebalanced and equally weighted on a monthly basis, subject to the provisions set out in the Index rules.

J.P. Morgan Securities plc is responsible for the maintenance of the Index. A full description and the complete methodology for the construction of the Index and information on the composition, respective weightings and applicable fees (including, the potential amount of the rebalancing adjustments that may be deducted from the performance of the Index) for the Index and Questions and Answers document (Q&A) are available on www.jpmorganindices.com. Before making any investment decision, investors should ensure that they have read and understood the full description of the Index which is available on that website.

There are rebalancing adjustments associated with replicating the entry into and the exit from each stock position referenced by the Index. A rebalancing adjustment of 0.04% is applied to the absolute change in the exposure (i.e. the changes generated by the Index either increasing or decreasing exposure to stocks) and is deducted from the Index performance on each rebalancing date.

Rebalancing operations carried out within the frequency stated above could have an impact in terms of costs paid or incurred by the Sub-Fund and could consequently affect the performance of the Sub-Fund.

Investment Policy

The Sub-Fund will carry out its investment objective via an Indirect Replication as described in the present Prospectus.

The limits laid down in APPENDIX A – "INVESTMENT RESTRICTIONS" of the Prospectus are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body. This 20% cap will be monitored on each Index rebalancing date, based on the Index's calculation method, which limits exposure to equities of the same issuer to 20% and which is calculated by the Index Sponsor or calculation agent. This 20% cap may be raised to 35% for a single issuer when justified by exceptional market conditions, for example when some securities are predominant and/or in the event of strong volatility of a financial instrument or securities linked to an economic sector represented in the Index. This could be the case if, for example, a takeover bid affects one of the securities in the Index or in the event of a significant restriction on liquidity affecting one or more financial instruments in the Index.

For the avoidance of doubt, any collateral received by the Sub-Fund is posted outright on the account of the Sub-Fund open in the Depositary's books. As such, collateral received will be recorded on the Sub-Fund assets. In case of counterparty default, the Sub-Fund can dispose of the assets received from the defaulting counterparty in order to extinguish the debt of this counterparty vis-a-vis the Sub-Fund under the guaranteed transaction.

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with Appendix B of this Prospectus.

Classes of Shares

This Sub-Fund issues the following Classes of Shares: D-EUR, C-EUR (see chapter IV. *INVESTING IN THE COMPANY ON THE PRIMARY MARKET A. THE SHARES).*

Investors' attention is drawn to the fact that this Sub-Fund issues UCITS ETF Classes of Shares listed on several stock exchanges. For further information on the UCITS ETF Classes of Shares or other Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics.

Notwithstanding the arrangements of chapter VII. DISTRIBUTION POLICY, dividends will be distributed for the D Shares on quarterly or yearly basis as may be decided from time to time by the Board of Directors.

The C Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the C Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with at the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the C Shares is of EUR 100,000.The minimum subsequent subscription is of one (1) Share.

The D Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the D Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the D Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

Risk Management

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

Market Maker for this Sub-Fund

For this Sub-Fund, the main market maker is J.P. Morgan Securities plc.

For the avoidance of doubt, other market makers could be appointed from time to time by the Company in respect of one or several stock exchange on which certain Shares Classes are listed.

Sub-Custodian of this Sub-Fund as set out in Part I of the Prospectus

Bank of New York Mellon

IMPORTANT INFORMATION

Certain risks relating to the Shares are set out in Appendix C entitled *Special Risk Considerations and Risk Factors*. In addition, Shareholders must also note the following risk considerations.

The Index and its objective: The Index may not be successful in achieving its stated objective of seeking to generate returns by selecting stocks based on the Beta Factor. In order to achieve its stated objective, the Index follows a proprietary strategy of selecting stocks on each rebalancing date based on the lowest normalised Beta Factor realized over the past 12 months. No assurance can be given that the stocks selected will continue to exhibit a low Beta Factor subsequent to each rebalancing date. The Index and the Beta Factor methodology have been constructed on the basis of certain historically observed trends, correlations or assumptions, none of which may be realized during the term of any exposure to the stocks.

Third party data source provider: the Index calculation agent uses the information and data provided by FactSet Research System Inc to determine the selection of the eligible stocks which will comprise the constituent stocks of the Index at the time of the rebalancing. Failure of the data source provider to (i) announce or publish the data or other information necessary for the Index calculation agent to determine the equity risk premium factor in respect of the eligible stocks or (ii) temporary or permanent discontinuance or unavailability of such data and/or information may potentially lead to a data source disruption event. If the number of constituent stocks affected by the disruption is greater than a specified threshold, then the Index shall remain the same until the next rebalancing. There can be no assurance that this data or information provided by FactSet Research System Inc is reliable and accurate. The Index calculation agent has not verified the reliability or accuracy of such data and/or information.

Dynamic allocation mechanism: There is a dynamic allocation mechanism in the Index that limits the exposure of the Index to the performance of a sub-set of the stocks of the MSCI Europe Index, which results in the Index being more concentrated than the MSCI Europe Index itself. Accordingly, the performance of the Index may be lower and/or more volatile than that which would be achieved if there was a full allocation or exposure to stocks comprising the MSCI Europe Index. For instance but not limited to this example, the Index is likely to underperform the MSCI Europe Index in a bearish (i.e. where the price of securities which comprise the MSCI Europe Index are generally falling) and volatile scenario, when negative returns of the Index may become strongly correlated and the lesser diversification in comparison with the MSCI Europe Index may make the Index underperform the MSCI Europe Index. In addition, the allocation mechanism is proprietary and may not behave in a manner similar to other such mechanisms offered by other index sponsors and may result in an Index performance that is lower than would have been achieved using a different allocation mechanism.

Lack of Reactivity to Changing Circumstances: The Index rebalances on a monthly basis on each rebalancing date based on stocks which are selected on the rebalancing selection date in accordance with the Index rules. In the event that circumstances change affecting the equity risk premium factor of the constituents of the Index between a rebalancing selection date and a rebalancing date, or shortly after a rebalancing date, this will not change the constituents of the Index until the next rebalancing date. As a result, the Index may not react to changing circumstances as quickly as an actively managed strategy.

Rules for determining the eligible stocks may change: The Index provides exposure to eligible stocks of the MSCI Europe Index. The methodology for determining (i) the selection of the eligible stocks which will form part of the Index and (ii) the level of the eligible stocks, may be amended by the Index sponsor in certain circumstances as set out in the Index rules. Any such changes may have a detrimental effect on the level of the Index and the determination methodology of the eligible stocks.

Index Performance: All investors in the Sub-Fund should be aware that the value of their Shares will depend on the performance of the Index.

The Shares should therefore only be considered suitable for investors if they:

(i) have read and understood the manner in which the swap will function so that they fully understand how their Shares will perform as a result of the performance of the Index, which is delivered by way of swap from a counterparty;

(ii) have read and understood the Prospectus and KIID of the Sub-Fund as well as the information available on the Index, including the Index Rules and the questions and answers (Q&A) document in respect of the Index and available on www.jpmorganindices.com; and

(iii) believe that the Index will generate a positive performance over the life of their investment because a fall in the Index value will lead to them receiving less than their initial investment upon selling their Shares.

The historical performance of the Index is not an indication of its future performance: It is not possible to predict whether the level of the Index will rise or fall. The actual performance of the Index may bear little relation to the historical levels of the Index.

Performance and/or Correlation of the Index: There is no assurance as to how the Index will perform in either absolute terms or in relative terms. Specifically, there can be no assurance as to how the Index will perform in relation to the performance of equities or any other asset class.

The Index has limited historical information and may perform in unanticipated ways: The Index has only recently been established as a tradable strategy and therefore has no data on which to evaluate its long-term historical performance. Any back-testing or similar analysis on the Index is illustrative only and may be based on estimates or assumptions not used in determining actual levels of the Index. The historical performance of the Index before April 14, 2015 available on Bloomberg or from any other information vendors may show hypothetical performance based on backtesting and/or scenario analysis. This does not represent the performance of an actual investment and is derived by applying the methodology (using certain assumptions) on a retroactive basis. Hypothetical performance results have many inherent limitations and there may frequently be sharp differences between hypothetical performance results and the actual results subsequently achieved. Because the Index is of recent origin and limited historical performance data exists with respect to it, your investment in the Sub-Fund may involve greater risk than investing in investments linked to one or more indices with an established record of performance.

Volatility: The levels of the stocks underlying the Index can be volatile and move dramatically over short periods of time. There can be no assurance that the relevant exposures will not be subject to substantial negative returns. Positive returns on the Index may therefore be reduced or eliminated entirely.

Determinations of Index calculation agent and Index sponsor: The Index is an algorithmic and rule-based index. As detailed in the Index calculation methodology, the Index calculation agent and/or Index sponsor (as applicable) may make certain determinations in the event of certain market disruption or extraordinary events in respect of the Index or a component stock and if so, the nature of the relevant consequences. Determinations made by the Index calculation agent and/or Index sponsor (as applicable) could adversely affect the value or performance of the Index or any product linked to the Index and the determinations made by the Index calculation agent and/or Index sponsor (as applicable) could present it with a conflict of interest. In making those determinations, the Index calculation agent and/or Index sponsor (as applicable) will act in good faith and a commercially reasonable manner and may use reasonable discretion. The Index calculation agent and/or Index sponsor (as applicable) will not be required to, and will not, take the interests of any investor of any such product into account or consider the effect its determinations will have on the value of such a product. All determinations made by the Index calculation agent and/or Index sponsor (as applicable), in accordance with the Index calculation methodology, shall be conclusive. The Index calculation agent and/or Index sponsor (as applicable) shall not have any liability for such determinations.

Credit risk and conflicts of interests of J.P. Morgan Securities plc: The return payable under the swaps entered into by the Sub-Fund with a counterparty is subject to the credit risk of the counterparty. In addition, the counterparty may act as the calculation agent under the swaps (the "**Calculation Agent**"). On the launch date, the only counterparty is J.P. Morgan Securities plc who is also the Index sponsor and the Calculation Agent **(**although any other counterparty who is licensed by the Index sponsor may also enter into swaps with the Sub-Fund to provide exposure to the Index**)**. When J.P. Morgan Securities plc is the counterparty, the Calculation Agent and Index Sponsor, Shareholders should note that not only will they be exposed to the credit risk of J.P. Morgan Securities plc as counterparty but also to potential conflicts of interest in the performance of the functions of counterparty, Calculation Agent and Index sponsor by J.P. Morgan Securities plc. As a result of its hedging activity, the counterparty can still profit from the product, even if the Sub-Fund does not generate positive returns. The Index sponsor is responsible for the composition, calculation and maintenance of the Index and will have no involvement in the offer and sale of the Sub-Fund in its capacity as sponsor of the Index and will have no obligation to any purchaser of Shares in such capacity. The Index sponsor may take any actions in respect of the Index without regard to the interests of the purchasers or holders of the Shares. The Index sponsor may license the Index, any of its sub-indices or strategies similar to the Index for use by other market participants, for publication in

newspapers and periodicals, for distribution by information and data dissemination services and for various other purposes, any of which may contribute to an increased level of investment in the Index (or its underlying components) or similar strategies and which may therefore affect the level of the Index and the market value of the Shares.

Rebalancing adjustments: The level of the Index is adjusted to account for rebalancing adjustments, which reflect the replication costs applied algorithmically within by the Index for each rebalancing of the components and may not reflect the rebalancing costs that a dealer may face when entering into similar transactions. The rebalancing adjustments are applied in respect of the stocks referenced in the Index which are rebalanced monthly and equal 0.04% per stock. The resulting effect of the rebalancing adjustments is to act as a drag on the performance of the Index. The drag is greater in circumstances where the absolute change in exposure (i.e. a decrease or increase in exposure) of the Index to its constituent stocks is larger. Although an investor in the Sub-Fund may lose money on its investment due to the performance of the Index, any counterparty (or any of their affiliates) that delivers part or all of the Index in the form of swaps may generate a profit from the above rebalancing adjustments. For further details on the Index rebalancing adjustments, please refer to the Index questions and answers (Q&A) that can be found at www.jpmorganindices.com.

Termination of Index licence: Whilst the Company has the right to use and reference the Index in connection with the Sub-Fund in accordance with the terms of the Index licence, in the event that the licence is terminated the Sub-Fund may not be able to issue any new Shares to new or existing investors and the Sub-Fund may be terminated.

JPMS Affiliate investment or equivalent arrangements: At any time following its launch, the Sub-Fund may receive investment, which may be substantial, from J.P. Morgan Securities plc or one of its affiliates (a "**JPMS Affiliate**"). Alternatively, a JPMS Affiliate may make arrangements with third parties which incentivise those third parties to invest in the Sub-Fund. Investors should be aware that such a JPMS Affiliate or third party may (i) hedge any of its investments in whole or part, thereby reducing its exposure to the performance of the Sub-Fund; and (ii) redeem its investment in the Sub-Fund at any time, without notice to Shareholders. Such a JPMS Affiliate or third party is not under any obligation to take the interests of other Shareholders into account when making its investment decisions. As any large redemption from the Sub-Fund will have the indirect effect of increasing the proportion of those of the Sub-Fund's costs and expenses which are not based on the Net Asset Value of the Sub-Fund that the remaining Shareholders may have to bear. Shareholders should therefore note that any redemption of its investment by a JPMS Affiliate or third party may have a negative effect on the value of their investment in the Sub-Fund. Furthermore, in certain circumstances a redemption by a JPMS Affiliate or third party may i) lead the Directors to determine to compulsorily redeem all of the remaining Shares in a Class or the Sub-Fund in accordance with the "Termination of Sub-Funds or Classes of Shares" sub-section of the "General Information – Termination of the Company" section of the Prospectus (for example, if the Directors determine that the net assets in the Sub-Fund or Class of Shares have decreased to an amount determined by the Board of Directors from time to time to be the minimum level for the Sub-Fund or Class of Shares to be operated in an economically efficient manner), in which case Shareholders' investment would be redeemed in its entirety, or ii) cause other investors in the Sub-Fund to redeem their investment, and in either case Shareholders may incur a loss as a result. Shareholders should therefore note that any redemption of its investment by a JPMS Affiliate or third party may have a negative effect on the value of their investment in the Sub-Fund.

Foreign exchange rate: In order to calculate the Index level, the closing price of any constituent stock of the Index which is not denominated in Euro will be converted into Euro using the foreign exchange rate as set out in the Index rules. The returns of the Index may be adversely affected by daily variations in the foreign exchange rate of Euro against the currency in which the constituent stocks of the Index are denominated.

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The JPMorgan Index has been designed and is compiled, calculated, maintained and sponsored by JPMS plc without regard to the Licensee, the Licensed Fund or any Investor. The ability of the Licensee to make use of the JPMorgan Index may be terminated at short notice and it is the responsibility of the Licensee to provide for the consequences of that in the design of the Licensed Fund. JPMS plc does not accept any legal obligation to take the needs of any person who may invest in a Licensed Fund into account in designing, compiling, calculating, maintaining or sponsoring the JPMorgan Index or in any decision to cease doing so.

JPMorgan does not give any representation, warranty or undertaking, of any type (whether express or implied, statutory or otherwise) in relation to the JPMorgan Index, as to condition, satisfactory quality, performance or fitness for purpose or as to the results to be achieved by an investment in the Licensed Fund or any data included in or omissions from the JPMorgan Index, or the use of the JPMorgan Index in connection with the Licensed Fund or the veracity, currency, completeness or accuracy of the information on which the JPMorgan Index is based (and without limitation, JPMorgan accepts no liability to any Investor for any errors or omissions in that information or the results of any interruption to it and JPMorgan shall be under no obligation to advise any person of any such error, omission or interruption). To the extent any such representation, warranty or undertaking could be deemed to have been given by JPMorgan, it is excluded save to the extent that such exclusion is prohibited by law. To the fullest extent permitted by law, JPMorgan shall have no liability or responsibility to any person or entity (including, without limitation, any Investors) for any loss, damages, costs, charges, expenses or other liabilities howsoever arising, including, without limitation, liability for any special, punitive, indirect or consequential damages (including loss of business or loss of profit, loss of time and loss of goodwill), even if notified of the possibility of the same, arising in connection with the design, compilation, calculation, maintenance or sponsoring of the JPMorgan Index or in connection with the Licensed Fund.

The JPMorgan Index is the exclusive property of JPMS plc. JPMS plc is under no obligation to continue compiling, calculating, maintaining or sponsoring the JPMorgan Index and may delegate or transfer to a third party some or all of its functions in relation to the JPMorgan Index.

JPMorgan may independently issue or sponsor other indices or products that are similar to and may compete with the JPMorgan Index and the Licensed Fund. They may also transact in assets referenced in the JPMorgan Index (or in financial instruments such as derivatives that reference those assets). It is possible that these activities could have an effect (positive or negative) on the value of the JPMorgan Index and the Licensed Fund.

Each of the above paragraphs is severable. If the contents of any such paragraph is held to be or becomes invalid or unenforceable in any respect in any jurisdiction, it shall have no effect in that respect, but without prejudice to the remainder of this notice.

MSCI

The MSCI Europe Index was used by the Index sponsor as the reference universe for selection of the companies included in the J.P. Morgan Equity Risk Premia – Europe LOW BETA FACTOR Long Only Index (the "JPMorgan Index"). MSCI does not in any way sponsor, support, promote or endorse the JPMorgan Index. MSCI was not and is not involved in any way in the creation, calculation, maintenance or review of the JPMorgan Index. The MSCI Europe Index was provided to the Index Sponsor on an "as is" basis. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating the MSCI Europe Index (collectively, the "MSCI Parties") expressly disclaim all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose). Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages in connection with the MSCI Europe Index or the JPMorgan Index.

Solactive

The Sub-Fund is not sponsored, promoted, sold or supported in any other manner by Solactive AG nor does Solactive AG offer any express or implicit guarantee or assurance either with regard to the results of using the Index and/or Index trade mark or the Index price at any time or in any other respect. The Index is calculated and published by Solactive AG. Solactive AG uses its best efforts to ensure that the Index is calculated correctly. Irrespective of its obligations towards the Sub-Fund, Solactive AG has no obligation to point out errors in the Index to third parties including but not limited to investors and/or financial intermediaries of the Sub-Fund. Neither publication of the Index by Solactive AG nor the licensing of the Index or Index trade mark for the purpose of use in connection with the Sub-Fund constitutes a recommendation by Solactive AG to invest capital in said Sub-Fund nor does it in any way represent an assurance or opinion of Solactive AG with regard to any investment in this Sub-Fund.

2 - Lyxor Index Fund – Lyxor J.P. Morgan Europe Low Size Factor Index UCITS ETF

The Reference Currency of the Sub-Fund is the EUR.

The Sub-Fund is compliant with the French Plan d'Epargne en Actions (PEA).

Investment Objective

The investment objective of the **Lyxor Index Fund – Lyxor J.P. Morgan Europe Low Size Factor Index UCITS ETF** is to track both the upward and the downward evolution of the J.P. Morgan Equity Risk Premia - Europe LOW SIZE FACTOR Long Only Index (the "**Index**") (Bloomberg Code: JPERPLSI), denominated in EUR and representative of the performance of 40 stocks with low size within the MSCI Europe Index (Bloomberg Code: MXEU Index) (the "**MSCI Europe Index**"), based on their market capitalization.

The anticipated Tracking Error ex-post in normal market conditions is expected to be 0.08%.

General description of the Index:

The Index is a long-only rules based index which seeks to generate returns by selecting stocks based on an Equity Risk Premium Factor which in this case is the Size Factor, as described below.

The Index construction

The Index selects 40 stocks from the constituents of the MSCI Europe Index, with the exception of certain stocks which do not satisfy certain eligibility criteria as set out in the Index rules. The Index provides synthetic long exposure to the performance of these selected 40 stocks, in accordance with the Index calculation methodology.

On each rebalancing selection date the selection of the eligible stocks is made in accordance with the Index calculation methodology on the basis of the Equity Risk Premium Factor, which is represented in this case by the market capitalization of the stock in EUR immediately preceding a rebalancing selection date, as calculated and published by Factset Research System Inc (the "**Size Factor**").

The Size Factor in respect of each eligible stock is then normalised by comparing the Size Factor of such eligible stock against the Size Factor of all other eligible stocks from the same sector as defined in the Index rules. The normalisation process aims to reduce sectoral bias which may otherwise lead to a high concentration in one or a few sectors. A ranking methodology will then be applied to all eligible stocks and the 40 stocks with the lowest normalised Size Factor are selected subject to certain tradability criteria as set out in the Index rules. The selected eligible stocks are then equally weighted and will form the constituent stocks of the Index in respect of the related rebalancing date.

The Index is a net total return index. A net total return index calculates the performance of the index constituents on the basis that any dividends or distributions are reinvested net of any withholding tax applicable.

Publication of the Index

The Index level is calculated and published daily by Solactive AG. The Index level is available via the following website: jpmorganindices.com. The Index level is also available daily via Bloomberg: JPERPLSI.

The Sub-Fund tracks the Index based on the closing levels of the Index.

The complete methodology of the Index and the Questions and Answers document (Q&A) is available on jpmorganindices.com

Index composition and revision

The Index will be rebalanced and equally weighted on a monthly basis, subject to the provisions set out in the Index rules.

J.P. Morgan Securities plc is responsible for the maintenance of the Index. A full description and the complete methodology for the construction of the Index and information on the composition, respective weightings and applicable fees (including, the potential amount of the rebalancing adjustments that may be deducted from the performance of the Index) for the Index and Questions and Answers document (Q&A) are available on www.jpmorganindices.com. Before making any investment decision, investors should ensure that they have read and understood the full description of the Index which is available on that website.

There are rebalancing adjustments associated with replicating the entry into and the exit from each stock position referenced by the Index. A rebalancing adjustment of 0.04% is applied to the absolute change in the exposure (i.e. the changes generated by the Index either increasing or decreasing exposure to stocks) and is deducted from the Index performance on each rebalancing date.

Rebalancing operations carried out within the frequency stated above could have an impact in terms of costs paid or incurred by the Sub-Fund and could consequently affect the performance of the Sub-Fund.

Investment Policy

The Sub-Fund will carry out its investment objective via an Indirect Replication as described in the present Prospectus.

The limits laid down in APPENDIX A – "INVESTMENT RESTRICTIONS" of the Prospectus are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body. This 20% cap will be monitored on each Index rebalancing date, based on the Index's calculation method, which limits exposure to equities of the same issuer to 20% and which is calculated by the Index sponsor or calculation agent. This 20% cap may be raised to 35% for a single issuer when justified by exceptional market conditions, for example when some securities are predominant and/or in the event of strong volatility of a financial instrument or securities linked to an economic sector represented in the Index. This could be the case if, for example, a takeover bid affects one of the securities in the Index or in the event of a significant restriction on liquidity affecting one or more financial instruments in the Index.

For the avoidance of doubt, any collateral received by the Sub-Fund is posted outright on the account of the Sub-Fund open in the Depositary's books. As such, collateral received will be recorded on the Sub-Fund assets. In case of counterparty default, the Sub-Fund can dispose of the assets received from the defaulting counterparty in order to extinguish the debt of this counterparty vis-a-vis the Sub-Fund under the guaranteed transaction.

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with Appendix B of this Prospectus.

Classes of Shares

This Sub-Fund issues the following Classes of Shares: D-EUR, C-EUR (see hereafter chapter IV. *INVESTING IN THE COMPANY ON THE PRIMARY MARKET A. THE SHARES).*

Investors' attention is drawn to the fact that this Sub-Fund issues UCITS ETF Classes of Shares listed on several stock exchanges. For further information on the UCITS ETF Classes of Shares or other Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics.

Notwithstanding the arrangements of chapter VII. DISTRIBUTION POLICY, dividends will be distributed for the D Shares on quarterly or yearly basis as may be decided from time to time by the Board of Directors.

The C Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the C Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with at the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the C Shares is of EUR 100,000.The minimum subsequent subscription is of one (1) Share.

The D Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the D Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the D Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

Risk Management

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

Market Maker for this Sub-Fund

For this Sub-Fund, the main market maker is J.P. Morgan Securities plc.

For the avoidance of doubt, other market makers could be appointed from time to time by the Company in respect of one or several stock exchange on which certain Shares Classes are listed.

Sub-Custodian of this Sub-Fund as set out in Part I of the Prospectus

Bank of New York Mellon

IMPORTANT INFORMATION

Certain risks relating to the Shares are set out in Appendix C entitled *Special Risk Considerations and Risk Factors*. In addition, Shareholders must also note the following risk considerations.

The Index and its objective: The Index may not be successful in achieving its stated objective of seeking to generate returns by selecting stocks based on the Size Factor. In order to achieve its stated objective, the Index follows a proprietary strategy of selecting stocks on each rebalancing date based on the lowest normalised Size Factor observed at such rebalancing date. No assurance can be given that the stocks selected will continue to exhibit a low Size Factor subsequent to each rebalancing date. The Index and the Size Factor methodology have been constructed on the basis of certain historically observed trends, correlations or assumptions, none of which may be realized during the term of any exposure to the stocks.

Third party data source provider: the Index calculation agent uses the information and data provided by FactSet Research System Inc to determine the selection of the eligible stocks which will comprise the constituent stocks of the Index at the time of the rebalancing. Failure of the data source provider to (i) announce or publish the data or other information necessary for the Index calculation agent to determine the equity risk premium factor in respect of the eligible stocks or (ii) temporary or permanent discontinuance or unavailability of such data and/or information may potentially lead to a data source disruption event. If the number of constituent stocks affected by the disruption is greater than a specified threshold, then the Index shall remain the same until the next rebalancing. There can be no assurance that this data or information provided by FactSet Research System Inc is reliable and accurate. The Index calculation agent has not verified the reliability or accuracy of such data and/or information.

Dynamic allocation mechanism: There is a dynamic allocation mechanism in the Index that limits the exposure of the Index to the performance of a sub-set of the stocks of the MSCI Europe Index, which results in the Index being more concentrated than the MSCI Europe Index itself. Accordingly, the performance of the Index may be lower and/or more volatile than that which would be achieved if there was a full allocation or exposure to stocks comprising the MSCI Europe Index. For instance but not limited to this example, the Index is likely to underperform the MSCI Europe Index in a bearish (i.e. where the price of securities which comprise the MSCI Europe Index are generally falling) and volatile scenario, when negative returns of the Index may become strongly correlated and the lesser diversification in comparison with the MSCI Europe Index may make the Index underperform the MSCI Europe Index. In addition, the allocation mechanism is proprietary and may not behave in a manner similar to other such mechanisms offered by other index sponsors and may result in an Index performance that is lower than would have been achieved using a different allocation mechanism.

Lack of Reactivity to Changing Circumstances: The Index rebalances on a monthly basis on each rebalancing date based on stocks which are selected on the rebalancing selection date in accordance with the Index rules. In the event that circumstances change affecting the equity risk premium factor of the constituents of the Index between a rebalancing selection date and a rebalancing date, or shortly after a rebalancing date, this will not change the constituents of the Index until the next rebalancing date. As a result, the Index may not react to changing circumstances as quickly as an actively managed strategy.

Rules for determining the eligible stocks may change: The Index provides exposure to eligible stocks of the MSCI Europe Index. The methodology for determining (i) the selection of the eligible stocks which will form part of the Index and (ii) the level of the eligible stocks, may be amended by the Index sponsor in certain circumstances as set out in the Index rules. Any such changes may have a detrimental effect on the level of the Index and the determination methodology of the eligible stocks.

Index Performance: All investors in the Sub-Fund should be aware that the value of their Shares will depend on the performance of the Index.

The Shares should therefore only be considered suitable for investors if they:

(i) have read and understood the manner in which the swap will function so that they fully understand how their Shares will perform as a result of the performance of the Index, which is delivered by way of swap from a counterparty;

(ii) have read and understood the Prospectus and KIID of the Sub-Fund as well as the information available on the

Index, including the Index Rules and the questions and answers (Q&A) document in respect of the Index and available on www.jpmorganindices.com; and

(iii) believe that the Index will generate a positive performance over the life of their investment because a fall in the Index value will lead to them receiving less than their initial investment upon selling their Shares.

The historical performance of the Index is not an indication of its future performance: It is not possible to predict whether the level of the Index will rise or fall. The actual performance of the Index may bear little relation to the historical levels of the Index.

Performance and/or Correlation of the Index: There is no assurance as to how the Index will perform in either absolute terms or in relative terms. Specifically, there can be no assurance as to how the Index will perform in relation to the performance of equities or any other asset class.

The Index has limited historical information and may perform in unanticipated ways: The Index has only recently been established as a tradable strategy and therefore has no data on which to evaluate its long-term historical performance. Any back-testing or similar analysis on the Index is illustrative only and may be based on estimates or assumptions not used in determining actual levels of the Index. The historical performance of the Index before April 14, 2015 available on Bloomberg or from any other information vendors may show hypothetical performance based on backtesting and/or scenario analysis. This does not represent the performance of an actual investment and is derived by applying the methodology (using certain assumptions) on a retroactive basis. Hypothetical performance results have many inherent limitations and there may frequently be sharp differences between hypothetical performance results and the actual results subsequently achieved. Because the Index is of recent origin and limited historical performance data exists with respect to it, your investment in the Sub-Fund may involve greater risk than investing in investments linked to one or more indices with an established record of performance.

Volatility: The levels of the stocks underlying the Index can be volatile and move dramatically over short periods of time. There can be no assurance that the relevant exposures will not be subject to substantial negative returns. Positive returns on the Index may therefore be reduced or eliminated entirely.

Determinations of Index calculation agent and Index sponsor: The Index is an algorithmic and rule-based index. As detailed in the Index calculation methodology, the Index calculation agent and/or Index sponsor (as applicable) may make certain determinations in the event of certain market disruption or extraordinary events in respect of the Index or a component stock and if so, the nature of the relevant consequences. Determinations made by the Index calculation agent and/or Index sponsor (as applicable) could adversely affect the value or performance of the Index or any product linked to the Index and the determinations made by the Index calculation agent and/or Index sponsor (as applicable) could present it with a conflict of interest. In making those determinations, the Index calculation agent and/or Index sponsor (as applicable) will act in good faith and a commercially reasonable manner and may use reasonable discretion. The Index calculation agent and/or Index sponsor (as applicable) will not be required to, and will not, take the interests of any investor of any such product into account or consider the effect its determinations will have on the value of such a product. All determinations made by the Index calculation agent and/or Index sponsor (as applicable), in accordance with the Index calculation methodology, shall be conclusive. The Index calculation agent and/or Index sponsor (as applicable) shall not have any liability for such determinations.

Credit risk and conflicts of interests of J.P. Morgan Securities plc: The return payable under the swaps entered into by the Sub-Fund with a counterparty is subject to the credit risk of the counterparty. In addition, the counterparty may act as the calculation agent under the swaps (the "**Calculation Agent**"). On the launch date, the only counterparty is J.P. Morgan Securities plc who is also the Index sponsor and the Calculation Agent **(**although any other counterparty who is licensed by the Index sponsor may also enter into swaps with the Sub-Fund to provide exposure to the Index**)**. When J.P. Morgan Securities plc is the counterparty, the Calculation Agent and Index Sponsor, Shareholders should note that not only will they be exposed to the credit risk of J.P. Morgan Securities plc as counterparty but also to potential conflicts of interest in the performance of the functions of counterparty, Calculation Agent and Index sponsor by J.P. Morgan Securities plc. As a result of its hedging activity, the counterparty can still profit from the product, even if the Sub-Fund does not generate positive returns. The Index sponsor is responsible for the composition, calculation and maintenance of the Index and will have no involvement in the offer and sale of the Sub-Fund in its capacity as sponsor of the Index and will have no obligation to any purchaser of Shares in such capacity. The Index sponsor may take any actions in respect of the Index without regard to the interests of the purchasers or holders of the Shares. The Index sponsor may license the Index, any of its sub-indices or strategies similar to the Index for use by other market participants, for publication in newspapers and periodicals, for distribution by information and data dissemination services and for various other purposes, any of which may contribute to an increased level of investment in the Index (or its underlying components) or similar strategies and which may therefore affect the level of the Index and the market value of the Shares.

Rebalancing adjustments: The level of the Index is adjusted to account for rebalancing adjustments, which reflect the replication costs applied algorithmically within by the Index for each rebalancing of the components and may not reflect the rebalancing costs that a dealer may face when entering into similar transactions. The rebalancing adjustments are applied in respect of the stocks referenced in the Index which are rebalanced monthly and equal 0.04% per stock. The

resulting effect of the rebalancing adjustments is to act as a drag on the performance of the Index. The drag is greater in circumstances where the absolute change in exposure (i.e. a decrease or increase in exposure) of the Index to its constituent stocks is larger. Although an investor in the Sub-Fund may lose money on its investment due to the performance of the Index, any counterparty (or any of their affiliates) that delivers part or all of the Index in the form of swaps may generate a profit from the above rebalancing adjustments. For further details on the Index rebalancing adjustments, please refer to the Index questions and answers (Q&A) that can be found at www.jpmorganindices.com.

Termination of Index licence: Whilst the Company has the right to use and reference the Index in connection with the Sub-Fund in accordance with the terms of the Index licence, in the event that the licence is terminated the Sub-Fund may not be able to issue any new Shares to new or existing investors and the Sub-Fund may be terminated.

JPMS Affiliate investment or equivalent arrangements: At any time following its launch, the Sub-Fund may receive investment, which may be substantial, from J.P. Morgan Securities plc or one of its affiliates (a "**JPMS Affiliate**"). Alternatively, a JPMS Affiliate may make arrangements with third parties which incentivise those third parties to invest in the Sub-Fund. Investors should be aware that such a JPMS Affiliate or third party may (i) hedge any of its investments in whole or part, thereby reducing its exposure to the performance of the Sub-Fund; and (ii) redeem its investment in the Sub-Fund at any time, without notice to Shareholders. Such a JPMS Affiliate or third party is not under any obligation to take the interests of other Shareholders into account when making its investment decisions. As any large redemption from the Sub-Fund will have the indirect effect of increasing the proportion of those of the Sub-Fund's costs and expenses which are not based on the Net Asset Value of the Sub-Fund that the remaining Shareholders may have to bear. Shareholders should therefore note that any redemption of its investment by a JPMS Affiliate or third party may have a negative effect on the value of their investment in the Sub-Fund. Furthermore, in certain circumstances a redemption by a JPMS Affiliate or third party may i) lead the Directors to determine to compulsorily redeem all of the remaining Shares in a Class or the Sub-Fund in accordance with the "Termination of Sub-Funds or Classes of Shares" sub-section of the "General Information – Termination of the Company" section of the Prospectus (for example, if the Directors determine that the net assets in the Sub-Fund or Class of Shares have decreased to an amount determined by the Board of Directors from time to time to be the minimum level for the Sub-Fund or Class of Shares to be operated in an economically efficient manner), in which case Shareholders' investment would be redeemed in its entirety, or ii) cause other investors in the Sub-Fund to redeem their investment, and in either case Shareholders may incur a loss as a result. Shareholders should therefore note that any redemption of its investment by a JPMS Affiliate or third party may have a negative effect on the value of their investment in the Sub-Fund.

Foreign exchange rate: In order to calculate the Index level, the closing price of any constituent stock of the Index which is not denominated in Euro will be converted into Euro using the foreign exchange rate as set out in the Index rules. The returns of the Index may be adversely affected by daily variations in the foreign exchange rate of Euro against the currency in which the constituent stocks of the Index are denominated.

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The JPMorgan Index has been designed and is compiled, calculated, maintained and sponsored by JPMS plc without regard to the Licensee, the Licensed Fund or any Investor. The ability of the Licensee to make use of the JPMorgan Index may be terminated at short notice and it is the responsibility of the Licensee to provide for the consequences of that in the design of the Licensed Fund. JPMS plc does not accept any legal obligation to take the needs of any person who may invest in a Licensed Fund into account in designing, compiling, calculating, maintaining or sponsoring the JPMorgan Index or in any decision to cease doing so.

JPMorgan does not give any representation, warranty or undertaking, of any type (whether express or implied, statutory or otherwise) in relation to the JPMorgan Index, as to condition, satisfactory quality, performance or fitness for purpose or as to the results to be achieved by an investment in the Licensed Fund or any data included in or omissions from the JPMorgan Index, or the use of the JPMorgan Index in connection with the Licensed Fund or the veracity, currency, completeness or accuracy of the information on which the JPMorgan Index is based (and without limitation, JPMorgan accepts no liability to any Investor for any errors or omissions in that information or the results of any interruption to it and JPMorgan shall be under no obligation to advise any person of any such error, omission or interruption). To the extent any such representation, warranty or undertaking could be deemed to have been given by JPMorgan, it is excluded save to the extent that such exclusion is prohibited by law. To the fullest extent permitted by law, JPMorgan shall have no liability or responsibility to any person or entity (including, without limitation, any Investors) for any loss, damages, costs, charges, expenses or other liabilities howsoever arising, including, without limitation, liability for any special, punitive, indirect or consequential damages (including loss of business or loss of profit, loss of time and loss of goodwill), even if notified of the possibility of the same, arising in connection with the design, compilation, calculation, maintenance or sponsoring of the JPMorgan Index or in connection with the Licensed Fund.

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Solactive

The Sub-Fund is not sponsored, promoted, sold or supported in any other manner by Solactive AG nor does Solactive AG offer any express or implicit guarantee or assurance either with regard to the results of using the Index and/or Index trade mark or the Index price at any time or in any other respect. The Index is calculated and published by Solactive AG. Solactive AG uses its best efforts to ensure that the Index is calculated correctly. Irrespective of its obligations towards the Sub-Fund, Solactive AG has no obligation to point out errors in the Index to third parties including but not limited to investors and/or financial intermediaries of the Sub-Fund. Neither publication of the Index by Solactive AG nor the licensing of the Index or Index trade mark for the purpose of use in connection with the Sub-Fund constitutes a recommendation by Solactive AG to invest capital in said Sub-Fund nor does it in any way represent an assurance or opinion of Solactive AG with regard to any investment in this Sub-Fund.

3 - Lyxor Index Fund – Lyxor J.P. Morgan Europe Momentum Factor Index UCITS ETF

The Reference Currency of the Sub-Fund is the EUR.

The Sub-Fund is compliant with the French Plan d'Epargne en Actions (PEA).

Investment Objective

The investment objective of the **Lyxor Index Fund – Lyxor J.P. Morgan Europe Momentum Factor Index UCITS ETF** is to track both the upward and the downward evolution of the J.P. Morgan Equity Risk Premia - Europe MOMENTUM FACTOR Long Only Index (the "**Index**") (Bloomberg Code: JPERPLMO), denominated in EUR and representative of = the performance of 40 stocks with high momentum risk premia in the MSCI Europe Index (Bloomberg Code: MXEU Index) (the "**MSCI Europe Index**"), based on their total return over the last 12 months.

The anticipated Tracking Error ex-post in normal market conditions is expected to be 0.08%.

General description of the Index

The Index is a long-only rules based index which seeks to generate returns by selecting stocks based on an Equity Risk Premium Factor which in this case is the Momentum Factor, as described below.

The Index construction

The Index selects 40 stocks from the constituents of the MSCI Europe Index, with the exception of certain stocks which do not satisfy certain eligibility criteria as set out in the Index rules. The Index provides synthetic long exposure to the performance of these selected 40 stocks, in accordance with the Index calculation methodology.

On each rebalancing selection date the selection of the eligible stocks is made in accordance with the Index calculation methodology on the basis of the Equity Risk Premium Factor, which is represented in this case by the total return of a stock in EUR over the 12 months immediately preceding a rebalancing selection date, as calculated and published by Factset Research System Inc (the "**Momentum Factor**").

The Momentum Factor in respect of each eligible stock is then normalised by comparing the Momentum Factor of such eligible stock against the Momentum Factor of all other eligible stocks from the same sector as defined in the Index rules. The normalisation process aims to reduce sectoral bias which may otherwise lead to a high concentration in one or a few sectors. A ranking methodology will then be applied to all eligible stocks and the 40 stocks with the highest normalised Momentum Factor are selected subject to certain tradability criteria as set out in the Index rules. The selected eligible stocks are then equally weighted and will form the constituent stocks of the Index in respect of the related rebalancing date.

The Index is a net total return index. A net total return index calculates the performance of the index constituents on the basis that any dividends or distributions are reinvested net of any withholding tax applicable.

Publication of the Index

The Index level is calculated and published daily by Solactive AG. The Index level is available via the following website: jpmorganindices.com. The Index level is also available daily via Bloomberg: JPERPLMO.

The Sub-Fund tracks the Index based on the closing levels of the Index.

The complete methodology of the Index and the Questions and Answers document (Q&A) is available on jpmorganindices.com

Index composition and revision

The Index will be rebalanced and equally weighted on a monthly basis, subject to the provisions set out in the Index rules.

J.P. Morgan Securities plc is responsible for the maintenance of the Index. A full description and the complete methodology for the construction of the Index and information on the composition, respective weightings and applicable fees (including, the potential amount of the rebalancing adjustments that may be deducted from the performance of the Index) for the Index and Questions and Answers document (Q&A) are available on www.jpmorganindices.com. Before making any investment decision, investors should ensure that they have read and understood the full description of the Index which is available on that website.

There are rebalancing adjustments associated with replicating the entry into and the exit from each stock position referenced by the Index. A rebalancing adjustment of 0.04% is applied to the absolute change in the exposure (i.e. the changes generated by the Index either increasing or decreasing exposure to stocks) and is deducted from the Index performance on each rebalancing date.

Rebalancing operations carried out within the frequency stated above could have an impact in terms of costs paid or incurred by the Sub-Fund and could consequently affect the performance of the Sub-Fund.

Investment Policy

The Sub-Fund will carry out its investment objective via an Indirect Replication as described in the present Prospectus.

The limits laid down in APPENDIX A – "INVESTMENT RESTRICTIONS" of the Prospectus are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body. This 20% cap will be monitored on each Index rebalancing date, based on the Index's calculation method, which limits exposure to equities of the same issuer to 20% and which is calculated by the Index sponsor or calculation agent. This 20% cap may be raised to 35% for a single issuer when justified by exceptional market conditions, for example when some securities are predominant and/or in the event of strong volatility of a financial instrument or securities linked to an economic sector represented in the Index. This could be the case if, for example, a takeover bid affects one of the securities in the Index or in the event of a significant restriction on liquidity affecting one or more financial instruments in the Index.

For the avoidance of doubt, any collateral received by the Sub-Fund is posted outright on the account of the Sub-Fund open in the Depositary's books. As such, collateral received will be recorded on the Sub-Fund assets. In case of counterparty default, the Sub-Fund can dispose of the assets received from the defaulting counterparty in order to extinguish the debt of this counterparty vis-a-vis the Sub-Fund under the guaranteed transaction.

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with Appendix B of this Prospectus.

Classes of Shares

This Sub-Fund issues the following Classes of Shares: D-EUR, C-EUR (see hereafter chapter IV. *INVESTING IN THE COMPANY ON THE PRIMARY MARKET A. THE SHARES).*

Investors' attention is drawn to the fact that this Sub-Fund issues UCITS ETF Classes of Shares listed on several stock exchanges. For further information on the UCITS ETF Classes of Shares or other Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics.

Notwithstanding the arrangements of chapter VII. DISTRIBUTION POLICY, dividends will be distributed for the D Shares on quarterly or yearly basis as may be decided from time to time by the Board of Directors.

The C Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the C Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with at the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the C Shares is of EUR 100,000.The minimum subsequent subscription is of one (1) Share.

The D Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the D Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the D Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

Risk Management

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

Market Maker for this Sub-Fund

For this Sub-Fund, the main market maker is J.P. Morgan Securities plc.

For the avoidance of doubt, other market makers could be appointed from time to time by the Company in respect of one or several stock exchange on which certain Shares Classes are listed.

Sub-Custodian of this Sub-Fund as set out in Part I of the Prospectus

Bank of New York Mellon

IMPORTANT INFORMATION

Certain risks relating to the Shares are set out in Appendix C entitled *Special Risk Considerations and Risk Factors*. In addition, Shareholders must also note the following risk considerations.

The Index and its objective: The Index may not be successful in achieving its stated objective of seeking to generate returns by selecting stocks based on the Momentum Factor. In order to achieve its stated objective, the Index follows a proprietary strategy of selecting stocks on each rebalancing date based on the highest normalised Momentum Factor realized over the past 12 months. No assurance can be given that the stocks selected will continue to exhibit a high Momentum Factor subsequent to each rebalancing date. The Index and the Momentum Factor methodology have been constructed on the basis of certain historically observed trends, correlations or assumptions, none of which may be realized during the term of any exposure to the stocks.

Third party data source provider: the Index calculation agent uses the information and data provided by FactSet Research System Inc to determine the selection of the eligible stocks which will comprise the constituent stocks of the Index at the time of the rebalancing. Failure of the data source provider to (i) announce or publish the data or other information necessary for the Index calculation agent to determine the equity risk premium factor in respect of the eligible stocks or (ii) temporary or permanent discontinuance or unavailability of such data and/or information may potentially lead to a data source disruption event. If the number of constituent stocks affected by the disruption is greater than a specified threshold, then the Index shall remain the same until the next rebalancing. There can be no assurance that this data or information provided by FactSet Research System Inc is reliable and accurate. The Index calculation agent has not verified the reliability or accuracy of such data and/or information.

Dynamic allocation mechanism: There is a dynamic allocation mechanism in the Index that limits the exposure of the Index to the performance of a sub-set of the stocks of the MSCI Europe Index, which results in the Index being more concentrated than the MSCI Europe Index itself. Accordingly, the performance of the Index may be lower and/or more volatile than that which would be achieved if there was a full allocation or exposure to stocks comprising the MSCI Europe Index. For instance but not limited to this example, the Index is likely to underperform the MSCI Europe Index in a bearish (i.e. where the price of securities which comprise the MSCI Europe Index are generally falling) and volatile scenario, when negative returns of the Index may become strongly correlated and the lesser diversification in comparison with the MSCI Europe Index may make the Index underperform the MSCI Europe Index. In addition, the allocation mechanism is proprietary and may not behave in a manner similar to other such mechanisms offered by other index sponsors and may result in an Index performance that is lower than would have been achieved using a different allocation mechanism.

Lack of Reactivity to Changing Circumstances: The Index rebalances on a monthly basis on each rebalancing date based on stocks which are selected on the rebalancing selection date in accordance with the Index rules. In the event that circumstances change affecting the equity risk premium factor of the constituents of the Index between a rebalancing selection date and a rebalancing date, or shortly after a rebalancing date, this will not change the constituents of the Index until the next rebalancing date. As a result, the Index may not react to changing circumstances as quickly as an actively managed strategy.

Rules for determining the eligible stocks may change: The Index provides exposure to eligible stocks of the MSCI Europe Index. The methodology for determining (i) the selection of the eligible stocks which will form part of the Index and (ii) the level of the eligible stocks, may be amended by the Index sponsor in certain circumstances as set out in the Index rules. Any such changes may have a detrimental effect on the level of the Index and the determination methodology of the eligible stocks.

Index Performance: All investors in the Sub-Fund should be aware that the value of their Shares will depend on the performance of the Index.

The Shares should therefore only be considered suitable for investors if they:

(i) have read and understood the manner in which the swap will function so that they fully understand how their Shares will perform as a result of the performance of the Index, which is delivered by way of swap from a counterparty;

(ii) have read and understood the Prospectus and KIID of the Sub-Fund as well as the information available on the Index, including the Index Rules and the questions and answers (Q&A) document in respect of the Index and available on www.jpmorganindices.com; and

(iii) believe that the Index will generate a positive performance over the life of their investment because a fall in the Index value will lead to them receiving less than their initial investment upon selling their Shares.

The historical performance of the Index is not an indication of its future performance: It is not possible to predict whether the level of the Index will rise or fall. The actual performance of the Index may bear little relation to the historical levels of the Index.

Performance and/or Correlation of the Index: There is no assurance as to how the Index will perform in either absolute terms or in relative terms. Specifically, there can be no assurance as to how the Index will perform in relation to the performance of equities or any other asset class.

The Index has limited historical information and may perform in unanticipated ways: The Index has only recently been established as a tradable strategy and therefore has no data on which to evaluate its long-term historical performance. Any back-testing or similar analysis on the Index is illustrative only and may be based on estimates or assumptions not used in determining actual levels of the Index. The historical performance of the Index before April 14, 2015 available on Bloomberg or from any other information vendors may show hypothetical performance based on backtesting and/or scenario analysis. This does not represent the performance of an actual investment and is derived by applying the methodology (using certain assumptions) on a retroactive basis. Hypothetical performance results have many inherent limitations and there may frequently be sharp differences between hypothetical performance results and the actual results subsequently achieved. Because the Index is of recent origin and limited historical performance data exists with respect to it, your investment in the Sub-Fund may involve greater risk than investing in investments linked to one or more indices with an established record of performance.

Volatility: The levels of the stocks underlying the Index can be volatile and move dramatically over short periods of time. There can be no assurance that the relevant exposures will not be subject to substantial negative returns. Positive returns on the Index may therefore be reduced or eliminated entirely.

Determinations of Index calculation agent and Index sponsor: The Index is an algorithmic and rule-based index. As detailed in the Index calculation methodology, the Index calculation agent and/or Index sponsor (as applicable) may make certain determinations in the event of certain market disruption or extraordinary events in respect of the Index or a component stock and if so, the nature of the relevant consequences. Determinations made by the Index calculation agent and/or Index sponsor (as applicable) could adversely affect the value or performance of the Index or any product linked to the Index and the determinations made by the Index calculation agent and/or Index sponsor (as applicable) could present it with a conflict of interest. In making those determinations, the Index calculation agent and/or Index sponsor (as applicable) will act in good faith and a commercially reasonable manner and may use reasonable discretion. The Index calculation agent and/or Index sponsor (as applicable) will not be required to, and will not, take the interests of any investor of any such product into account or consider the effect its determinations will have on the value of such a product. All determinations made by the Index calculation agent and/or Index sponsor (as applicable), in accordance with the Index calculation methodology, shall be conclusive. The Index calculation agent and/or Index sponsor (as applicable) shall not have any liability for such determinations.

Credit risk and conflicts of interests of J.P. Morgan Securities plc: The return payable under the swaps entered into by the Sub-Fund with a counterparty is subject to the credit risk of the counterparty. In addition, the counterparty may act as the calculation agent under the swaps (the "**Calculation Agent**"). On the launch date, the only counterparty is J.P. Morgan Securities plc who is also the Index sponsor and the Calculation Agent **(**although any other counterparty who is licensed by the Index sponsor may also enter into swaps with the Sub-Fund to provide exposure to the Index**)**. When J.P. Morgan Securities plc is the counterparty, the Calculation Agent and Index Sponsor, Shareholders should note that not only will they be exposed to the credit risk of J.P. Morgan Securities plc as counterparty but also to potential conflicts of interest in the performance of the functions of counterparty, Calculation Agent and Index sponsor by J.P. Morgan Securities plc. As a result of its hedging activity, the counterparty can still profit from the product, even if the Sub-Fund does not generate positive returns. The Index sponsor is responsible for the composition, calculation and maintenance of the Index and will have no involvement in the offer and sale of the Sub-Fund in its capacity as sponsor of the Index and will have no obligation to any purchaser of Shares in such capacity. The Index sponsor may take any actions in respect of the Index without regard to the interests of the purchasers or holders of the Shares. The Index sponsor may license the Index, any of its sub-indices or strategies similar to the Index for use by other market participants, for publication in newspapers and periodicals, for distribution by information and data dissemination services and for various other purposes, any of which may contribute to an increased level of investment in the Index (or its underlying components) or similar strategies and which may therefore affect the level of the Index and the market value of the Shares.

Rebalancing adjustments: The level of the Index is adjusted to account for rebalancing adjustments, which reflect the replication costs applied algorithmically within by the Index for each rebalancing of the components and may not reflect the rebalancing costs that a dealer may face when entering into similar transactions. The rebalancing adjustments are applied in respect of the stocks referenced in the Index which are rebalanced monthly and equal 0.04% per stock. The resulting effect of the rebalancing adjustments is to act as a drag on the performance of the Index. The drag is greater in circumstances where the absolute change in exposure (i.e. a decrease or increase in exposure) of the Index to its constituent stocks is larger. Although an investor in the Sub-Fund may lose money on its investment due to the performance of the Index, any counterparty (or any of their affiliates) that delivers part or all of the Index in the form of swaps may generate a profit from the above rebalancing adjustments. For further details on the Index rebalancing adjustments, please refer to the Index questions and answers (Q&A) that can be found at www.jpmorganindices.com.

Termination of Index licence: Whilst the Company has the right to use and reference the Index in connection with the Sub-Fund in accordance with the terms of the Index licence, in the event that the licence is terminated the Sub-Fund may not be able to issue any new Shares to new or existing investors and the Sub-Fund may be terminated.

JPMS Affiliate investment or equivalent arrangements: At any time following its launch, the Sub-Fund may receive investment, which may be substantial, from J.P. Morgan Securities plc or one of its affiliates (a "**JPMS Affiliate**"). Alternatively, a JPMS Affiliate may make arrangements with third parties which incentivise those third parties to invest in the Sub-Fund. Investors should be aware that such a JPMS Affiliate or third party may (i) hedge any of its investments in whole or part, thereby reducing its exposure to the performance of the Sub-Fund; and (ii) redeem its investment in the Sub-Fund at any time, without notice to Shareholders. Such a JPMS Affiliate or third party is not under any obligation to take the interests of other Shareholders into account when making its investment decisions. As any large redemption from the Sub-Fund will have the indirect effect of increasing the proportion of those of the Sub-Fund's costs and expenses which are not based on the Net Asset Value of the Sub-Fund that the remaining Shareholders may have to bear. Shareholders should therefore note that any redemption of its investment by a JPMS Affiliate or third party may have a negative effect on the value of their investment in the Sub-Fund. Furthermore, in certain circumstances a redemption by a JPMS Affiliate or third party may i) lead the Directors to determine to compulsorily redeem all of the remaining Shares in a Class or the Sub-Fund in accordance with the "Termination of Sub-Funds or Classes of Shares" sub-section of the "General Information – Termination of the Company" section of the Prospectus (for example, if the Directors determine that the net assets in the Sub-Fund or Class of Shares have decreased to an amount determined by the Board of Directors from time to time to be the minimum level for the Sub-Fund or Class of Shares to be operated in an economically efficient manner), in which case Shareholders' investment would be redeemed in its entirety, or ii) cause other investors in the Sub-Fund to redeem their investment, and in either case Shareholders may incur a loss as a result. Shareholders should therefore note that any redemption of its investment by a JPMS Affiliate or third party may have a negative effect on the value of their investment in the Sub-Fund.

Foreign exchange rate: In order to calculate the Index level, the closing price of any constituent stock of the Index which is not denominated in Euro will be converted into Euro using the foreign exchange rate as set out in the Index rules. The returns of the Index may be adversely affected by daily variations in the foreign exchange rate of Euro against the currency in which the constituent stocks of the Index are denominated.

INDEX DISCLAIMER

J.P. Morgan

The J.P. Morgan Equity Risk Premia - Europe MOMENTUM FACTOR Long Only Index ("**JPMorgan Index**") has been licensed to Lyxor International Asset Management (the "**Licensee**") for the Licensee's benefit. Neither the Licensee nor Lyxor Index Fund - Lyxor J.P. Morgan Europe Momentum Factor Index UCITS ETF (the "**Licensed Fund**") is sponsored, operated or endorsed by J.P. Morgan Securities plc ("**JPMS plc**") nor any of its affiliates (together and individually, "**JPMorgan**"). JPMorgan makes no representation or no warranty, express or implied, to investors in or owners of the Licensed Fund (or any person taking exposure to it) or any member of the public in any other circumstances (each an "**Investor**"): (a) regarding the advisability of investing in securities or other financial products generally or in the Licensed Fund particularly; or (b) the suitability or appropriateness of an exposure to the JPMorgan Index in seeking to achieve any particular objective. It is for those taking an exposure to the Licensed Fund and/or the JPMorgan Index to satisfy themselves of these matters and such persons should seek appropriate professional advice before making any investment. JPMorgan is not responsible for and does not have any obligation or liability in connection with the issuance, administration, marketing or trading of the Licensed Fund. The publication of the JPMorgan Index and the referencing of any asset or other factor of any kind in the JPMorgan Index does not constitute any form of investment recommendation or advice in respect of that asset or other factor by JPMorgan and no person should rely upon it as such. JPMorgan does not act as an investment adviser or investment manager in respect of the JPMorgan Index or the Licensed Fund and does not accept any fiduciary duties in relation to the JPMorgan Index, the Licensee or to any Investor.

The JPMorgan Index has been designed and is compiled, calculated, maintained and sponsored by JPMS plc without regard to the Licensee, the Licensed Fund or any Investor. The ability of the Licensee to make use of the JPMorgan Index may be terminated at short notice and it is the responsibility of the Licensee to provide for the consequences of that in the design of the Licensed Fund. JPMS plc does not accept any legal obligation to take the needs of any person who

may invest in a Licensed Fund into account in designing, compiling, calculating, maintaining or sponsoring the JPMorgan Index or in any decision to cease doing so.

JPMorgan does not give any representation, warranty or undertaking, of any type (whether express or implied, statutory or otherwise) in relation to the JPMorgan Index, as to condition, satisfactory quality, performance or fitness for purpose or as to the results to be achieved by an investment in the Licensed Fund or any data included in or omissions from the JPMorgan Index, or the use of the JPMorgan Index in connection with the Licensed Fund or the veracity, currency, completeness or accuracy of the information on which the JPMorgan Index is based (and without limitation, JPMorgan accepts no liability to any Investor for any errors or omissions in that information or the results of any interruption to it and JPMorgan shall be under no obligation to advise any person of any such error, omission or interruption). To the extent any such representation, warranty or undertaking could be deemed to have been given by JPMorgan, it is excluded save to the extent that such exclusion is prohibited by law. To the fullest extent permitted by law, JPMorgan shall have no liability or responsibility to any person or entity (including, without limitation, any Investors) for any loss, damages, costs, charges, expenses or other liabilities howsoever arising, including, without limitation, liability for any special, punitive, indirect or consequential damages (including loss of business or loss of profit, loss of time and loss of goodwill), even if notified of the possibility of the same, arising in connection with the design, compilation, calculation, maintenance or sponsoring of the JPMorgan Index or in connection with the Licensed Fund.

The JPMorgan Index is the exclusive property of JPMS plc. JPMS plc is under no obligation to continue compiling, calculating, maintaining or sponsoring the JPMorgan Index and may delegate or transfer to a third party some or all of its functions in relation to the JPMorgan Index.

JPMorgan may independently issue or sponsor other indices or products that are similar to and may compete with the JPMorgan Index and the Licensed Fund. They may also transact in assets referenced in the JPMorgan Index (or in financial instruments such as derivatives that reference those assets). It is possible that these activities could have an effect (positive or negative) on the value of the JPMorgan Index and the Licensed Fund.

Each of the above paragraphs is severable. If the contents of any such paragraph is held to be or becomes invalid or unenforceable in any respect in any jurisdiction, it shall have no effect in that respect, but without prejudice to the remainder of this notice.

MSCI

The MSCI Europe Index was used by the Index sponsor as the reference universe for selection of the companies included in the J.P. Morgan Equity Risk Premia – Europe MOMENTUM FACTOR Long Only Index (the "JPMorgan Index"). MSCI does not in any way sponsor, support, promote or endorse the JPMorgan Index. MSCI was not and is not involved in any way in the creation, calculation, maintenance or review of the JPMorgan Index. The MSCI Europe Index was provided to the Index Sponsor on an "as is" basis. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating the MSCI Europe Index (collectively, the "MSCI Parties") expressly disclaim all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose). Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages in connection with the MSCI Europe Index or the JPMorgan Index.

Solactive

The Sub-Fund is not sponsored, promoted, sold or supported in any other manner by Solactive AG nor does Solactive AG offer any express or implicit guarantee or assurance either with regard to the results of using the Index and/or Index trade mark or the Index price at any time or in any other respect. The Index is calculated and published by Solactive AG. Solactive AG uses its best efforts to ensure that the Index is calculated correctly. Irrespective of its obligations towards the Sub-Fund, Solactive AG has no obligation to point out errors in the Index to third parties including but not limited to investors and/or financial intermediaries of the Sub-Fund. Neither publication of the Index by Solactive AG nor the licensing of the Index or Index trade mark for the purpose of use in connection with the Sub-Fund constitutes a recommendation by Solactive AG to invest capital in said Sub-Fund nor does it in any way represent an assurance or opinion of Solactive AG with regard to any investment in this Sub-Fund.

4 - Lyxor Index Fund – Lyxor J.P. Morgan Europe Value Factor Index UCITS ETF

The Reference Currency of the Sub-Fund is the EUR.

The Sub-Fund is compliant with the French Plan d'Epargne en Actions (PEA).

Investment Objective

The investment objective of the **Lyxor Index Fund – Lyxor J.P. Morgan Europe Value Factor Index UCITS ETF** is to track both the upward and the downward evolution of the J.P. Morgan Equity Risk Premia - Europe VALUE FACTOR Long Only Index (the "**Index**") (Bloomberg Code: JPERPLVA), denominated in EUR and representative of the performance of 40 stocks with high value risk premia within the MSCI Europe Index (Bloomberg Code: MXEU Index) (the "**MSCI Europe Index**"), based on their earnings yield, free cash flow yield and book to price ratio.

The anticipated Tracking Error ex-post in normal market conditions is expected to be 0.08%.

General description of the Index

The Index is a long-only rules based index which seeks to generate returns by selecting stocks based on the Equity Risk Premium Factors which in this case are the Value Factors, as described below.

The Index construction

The Index selects 40 stocks from the constituents of the MSCI Europe Index, with the exception of certain stocks which do not satisfy certain eligibility criteria as set out in the Index rules. The Index provides synthetic long exposure to the performance of these selected 40 stocks, in accordance with the Index calculation methodology.

On each rebalancing selection date the selection of the eligible stocks is made in accordance with the Index calculation methodology on the basis of the Equity Risk Premium Factors, which are represented in this case by the following metrics:

- the earnings yield (determined as the ratio of the mean analyst consensus estimate of the earnings per share of the upcoming financial year as published by the Institutional Brokers' Estimate System, and the price per share);
- thee free cash flow yield (determined as the ratio of the mean analyst consensus estimate of the free cash flow per share of the upcoming financial year as published by the Institutional Brokers' Estimate System, and the price per share); and
- the book to price ratio (determined as the mean analyst consensus estimate of the book to price ratio of the upcoming financial year as published by the Institutional Brokers' Estimate System),

immediately preceding a rebalancing selection date (each a "**Value Factor**" and collectively the "**Value Factors**").

Each Value Factor in respect of each eligible stock is then normalised by comparing the relevant Value Factor of such eligible stock against the relevant Value Factor of all other eligible stocks from the same sector as defined in the Index rules. The normalisation process aims to reduce sectoral bias which may otherwise lead to a high concentration in one or a few sectors. Following the completion of the normalisation process, the average of the normalised Value Factors is determined in respect of each eligible stock. A ranking methodology will then be applied to all eligible stocks and the 40 stocks with the highest average normalised Value Factors are selected subject to certain tradability criteria as set out in the Index rules. The selected eligible stocks are then equally weighted and will form the constituent stocks of the Index in respect of the related rebalancing date.

The Index is a net total return index. A net total return index calculates the performance of the index constituents on the basis that any dividends or distributions are reinvested net of any withholding tax applicable.

Publication of the Index

The Index level is calculated and published daily by Solactive AG. The Index level is available via the following website: jpmorganindices.com. The Index level is also available daily via Bloomberg: JPERPLVA.

The Sub-Fund tracks the Index based on the closing levels of the Index.

The complete methodology of the Index and the Questions and Answers document (Q&A) is available on jpmorganindices.com

Index composition and revision

The Index will be rebalanced and equally weighted on a monthly basis, subject to the provisions set out in the Index rules.

J.P. Morgan Securities plc is responsible for the maintenance of the Index. A full description and the complete methodology for the construction of the Index and information on the composition, respective weightings and applicable fees (including, the potential amount of the rebalancing adjustments that may be deducted from the performance of the Index) for the Index and Questions and Answers document (Q&A) are available on www.jpmorganindices.com. Before making any investment decision, investors should ensure that they have read and understood the full description of the Index which is available on that website.

There are rebalancing adjustments associated with replicating the entry into and the exit from each stock position referenced by the Index. A rebalancing adjustment of 0.04% is applied to the absolute change in the exposure (i.e. the changes generated by the Index either increasing or decreasing exposure to stocks) and is deducted from the Index performance on each rebalancing date.

Rebalancing operations carried out within the frequency stated above could have an impact in terms of costs paid or incurred by the Sub-Fund and could consequently affect the performance of the Sub-Fund.

Investment Policy

The Sub-Fund will carry out its investment objective via an Indirect Replication as described in the present Prospectus.

The limits laid down in APPENDIX A – "INVESTMENT RESTRICTIONS" of the Prospectus are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body. This 20% cap will be monitored on each Index rebalancing date, based on the Index's calculation method, which limits exposure to equities of the same issuer to 20% and which is calculated by the Index sponsor or calculation agent. This 20% cap may be raised to 35% for a single issuer when justified by exceptional market conditions, for example when some securities are predominant and/or in the event of strong volatility of a financial instrument or securities linked to an economic sector represented in the Index. This could be the case if, for example, a takeover bid affects one of the securities in the Index or in the event of a significant restriction on liquidity affecting one or more financial instruments in the Index.

For the avoidance of doubt, any collateral received by the Sub-Fund is posted outright on the account of the Sub-Fund open in the Depositary's books. As such, collateral received will be recorded on the Sub-Fund assets. In case of counterparty default, the Sub-Fund can dispose of the assets received from the defaulting counterparty in order to extinguish the debt of this counterparty vis-a-vis the Sub-Fund under the guaranteed transaction.

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The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with Appendix B of this Prospectus.

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This Sub-Fund issues the following Classes of Shares: D-EUR, C-EUR (see hereafter chapter IV. *INVESTING IN THE COMPANY ON THE PRIMARY MARKET A. THE SHARES).*

Investors' attention is drawn to the fact that this Sub-Fund issues UCITS ETF Classes of Shares listed on several stock exchanges. For further information on the UCITS ETF Classes of Shares or other Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics.

Notwithstanding the arrangements of chapter VII. DISTRIBUTION POLICY, dividends will be distributed for the D Shares on quarterly or yearly basis as may be decided from time to time by the Board of Directors.

The C Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the C Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with at the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the C Shares is of EUR 100,000.The minimum subsequent subscription is of one (1) Share.

The D Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the D Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the D Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

Risk Management

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

Market Maker for this Sub-Fund

For this Sub-Fund, the main market maker is J.P. Morgan Securities plc.

For the avoidance of doubt, other market makers could be appointed from time to time by the Company in respect of one or several stock exchange on which certain Shares Classes are listed.

Sub-Custodian of this Sub-Fund as set out in Part I of the Prospectus

Bank of New York Mellon

IMPORTANT INFORMATION

Certain risks relating to the Shares are set out in Appendix C entitled *Special Risk Considerations and Risk Factors*. In addition, Shareholders must also note the following risk considerations.

The Index and its objective: The Index may not be successful in achieving its stated objective of seeking to generate returns by selecting stocks based on the Value Factor. In order to achieve its stated objective, the Index follows a proprietary strategy of selecting stocks on each rebalancing date based on the highest normalised Value Factor using consensus analyst forecasts of stock financials available as of such rebalancing date. Such consensus forecasts reflect the aggregate of analysts' views (and are not recommendations) with the view of outperforming any relevant benchmarks. Such consensus forecasts may not accurately reflect the subsequent financials of the relevant stocks. The number as well as range of such forecasts which are available from the data source provider may affect the consensus level. A lower number and range of consensus forecasts may not be as effective a measure of forecasting relevant stock financials. No assurance can be given that the stocks selected will continue to exhibit a high Value Factor subsequent to each rebalancing date. The Index and the Value Factor methodology have been constructed on the basis of certain historically observed trends, correlations or assumptions, none of which may be realized during the term of any exposure to the stocks.

Third party data source provider: the Index calculation agent uses the information and data provided by I/B/E/S International Inc. to determine the selection of the eligible stocks which will comprise the constituent stocks of the Index at the time of the rebalancing. Failure of the data source provider to (i) announce or publish the data or other information necessary for the Index calculation agent to determine the any of the factors in respect of the eligible stocks or (ii) temporary or permanent discontinuance or unavailability of such data and/or information may potentially lead to a data source disruption event. If the number of constituent stocks affected by the disruption is greater than a specified threshold, then the constituent stocks comprising the Index shall remain the same until the next rebalancing. There can be no assurance that this data or information provided by I/B/E/S International Inc. is reliable and accurate. The Index calculation agent has not verified the reliability or accuracy of such data and/or information.

Dynamic allocation mechanism: There is a dynamic allocation mechanism in the Index that limits the exposure of the Index to the performance of a sub-set of the stocks of the MSCI Europe Index, which results in the Index being more concentrated than the MSCI Europe Index itself. Accordingly, the performance of the Index may be lower and/or more volatile than that which would be achieved if there was a full allocation or exposure to stocks comprising the MSCI Europe Index. For instance but not limited to this example, the Index is likely to underperform the MSCI Europe Index in a bearish (i.e. where the price of securities which comprise the MSCI Europe Index are generally falling) and volatile scenario, when negative returns of the Index may become strongly correlated and the lesser diversification in comparison with the MSCI Europe Index may make the Index underperform the MSCI Europe Index. In addition, the allocation mechanism is proprietary and may not behave in a manner similar to other such mechanisms offered by other index sponsors and may result in an Index performance that is lower than would have been achieved using a different allocation mechanism.

Lack of Reactivity to Changing Circumstances: The Index rebalances on a monthly basis on each rebalancing date based on stocks which are selected on the rebalancing selection date in accordance with the Index rules. In the event that circumstances change affecting the equity risk premium factor of the constituents of the Index between a rebalancing selection date and a rebalancing date, or shortly after a rebalancing date, this will not change the constituents of the Index until the next rebalancing date. As a result, the Index may not react to changing circumstances as quickly as an actively managed strategy.

Rules for determining the eligible stocks may change: The Index provides exposure to eligible stocks of the MSCI Europe Index. The methodology for determining (i) the selection of the eligible stocks which will form part of the Index and

(ii) the level of the eligible stocks, may be amended by the Index sponsor in certain circumstances as set out in the Index rules. Any such changes may have a detrimental effect on the level of the Index and the determination methodology of the eligible stocks.

Index Performance: All investors in the Sub-Fund should be aware that the value of their Shares will depend on the performance of the Index.

The Shares should therefore only be considered suitable for investors if they:

(i) have read and understood the manner in which the swap will function so that they fully understand how their Shares will perform as a result of the performance of the Index, which is delivered by way of swap from a counterparty;

(ii) have read and understood the Prospectus and KIID of the Sub-Fund as well as the information available on the Index, including the Index Rules and the questions and answers (Q&A) document in respect of the Index and available on www.jpmorganindices.com; and

(iii) believe that the Index will generate a positive performance over the life of their investment because a fall in the Index value will lead to them receiving less than their initial investment upon selling their Shares.

The historical performance of the Index is not an indication of its future performance: It is not possible to predict whether the level of the Index will rise or fall. The actual performance of the Index may bear little relation to the historical levels of the Index.

Performance and/or Correlation of the Index: There is no assurance as to how the Index will perform in either absolute terms or in relative terms. Specifically, there can be no assurance as to how the Index will perform in relation to the performance of equities or any other asset class.

The Index has limited historical information and may perform in unanticipated ways: The Index has only recently been established as a tradable strategy and therefore has no data on which to evaluate its long-term historical performance. Any back-testing or similar analysis on the Index is illustrative only and may be based on estimates or assumptions not used in determining actual levels of the Index. The historical performance of the Index before April 14, 2015 available on Bloomberg or from any other information vendors may show hypothetical performance based on backtesting and/or scenario analysis. This does not represent the performance of an actual investment and is derived by applying the methodology (using certain assumptions) on a retroactive basis. Hypothetical performance results have many inherent limitations and there may frequently be sharp differences between hypothetical performance results and the actual results subsequently achieved. Because the Index is of recent origin and limited historical performance data exists with respect to it, your investment in the Sub-Fund may involve greater risk than investing in investments linked to one or more indices with an established record of performance.

Volatility: The levels of the stocks underlying the Index can be volatile and move dramatically over short periods of time. There can be no assurance that the relevant exposures will not be subject to substantial negative returns. Positive returns on the Index may therefore be reduced or eliminated entirely.

Determinations of Index calculation agent and Index sponsor: The Index is an algorithmic and rule-based index. As detailed in the Index calculation methodology, the Index calculation agent and/or Index sponsor (as applicable) may make certain determinations in the event of certain market disruption or extraordinary events in respect of the Index or a component stock and if so, the nature of the relevant consequences. Determinations made by the Index calculation agent and/or Index sponsor (as applicable) could adversely affect the value or performance of the Index or any product linked to the Index and the determinations made by the Index calculation agent and/or Index sponsor (as applicable) could present it with a conflict of interest. In making those determinations, the Index calculation agent and/or Index sponsor (as applicable) will act in good faith and a commercially reasonable manner and may use reasonable discretion. The Index calculation agent and/or Index sponsor (as applicable) will not be required to, and will not, take the interests of any investor of any such product into account or consider the effect its determinations will have on the value of such a product. All determinations made by the Index calculation agent and/or Index sponsor (as applicable), in accordance with the Index calculation methodology, shall be conclusive. The Index calculation agent and/or Index sponsor (as applicable) shall not have any liability for such determinations.

Credit risk and conflicts of interests of J.P. Morgan Securities plc: The return payable under the swaps entered into by the Sub-Fund with a counterparty is subject to the credit risk of the counterparty. In addition, the counterparty may act as the calculation agent under the swaps (the "**Calculation Agent**"). On the launch date, the only counterparty is J.P. Morgan Securities plc who is also the Index sponsor and the Calculation Agent **(**although any other counterparty who is licensed by the Index sponsor may also enter into swaps with the Sub-Fund to provide exposure to the Index**)**. When J.P. Morgan Securities plc is the counterparty, the Calculation Agent and Index Sponsor, Shareholders should note that not

only will they be exposed to the credit risk of J.P. Morgan Securities plc as counterparty but also to potential conflicts of interest in the performance of the functions of counterparty, Calculation Agent and Index sponsor by J.P. Morgan Securities plc. As a result of its hedging activity, the counterparty can still profit from the product, even if the Sub-Fund does not generate positive returns. The Index sponsor is responsible for the composition, calculation and maintenance of the Index and will have no involvement in the offer and sale of the Sub-Fund in its capacity as sponsor of the Index and will have no obligation to any purchaser of Shares in such capacity. The Index sponsor may take any actions in respect of the Index without regard to the interests of the purchasers or holders of the Shares. The Index sponsor may license the Index, any of its sub-indices or strategies similar to the Index for use by other market participants, for publication in newspapers and periodicals, for distribution by information and data dissemination services and for various other purposes, any of which may contribute to an increased level of investment in the Index (or its underlying components) or similar strategies and which may therefore affect the level of the Index and the market value of the Shares.

Rebalancing adjustments: The level of the Index is adjusted to account for rebalancing adjustments, which reflect the replication costs applied algorithmically within by the Index for each rebalancing of the components and may not reflect the rebalancing costs that a dealer may face when entering into similar transactions. The rebalancing adjustments are applied in respect of the stocks referenced in the Index which are rebalanced monthly and equal 0.04% per stock. The resulting effect of the rebalancing adjustments is to act as a drag on the performance of the Index. The drag is greater in circumstances where the absolute change in exposure (i.e. a decrease or increase in exposure) of the Index to its constituent stocks is larger. Although an investor in the Sub-Fund may lose money on its investment due to the performance of the Index, any counterparty (or any of their affiliates) that delivers part or all of the Index in the form of swaps may generate a profit from the above rebalancing adjustments. For further details on the Index rebalancing adjustments, please refer to the Index questions and answers (Q&A) that can be found at www.jpmorganindices.com.

Termination of Index licence: Whilst the Company has the right to use and reference the Index in connection with the Sub-Fund in accordance with the terms of the Index licence, in the event that the licence is terminated the Sub-Fund may not be able to issue any new Shares to new or existing investors and the Sub-Fund may be terminated.

JPMS Affiliate investment or equivalent arrangements: At any time following its launch, the Sub-Fund may receive investment, which may be substantial, from J.P. Morgan Securities plc or one of its affiliates (a "**JPMS Affiliate**"). Alternatively, a JPMS Affiliate may make arrangements with third parties which incentivise those third parties to invest in the Sub-Fund. Investors should be aware that such a JPMS Affiliate or third party may (i) hedge any of its investments in whole or part, thereby reducing its exposure to the performance of the Sub-Fund; and (ii) redeem its investment in the Sub-Fund at any time, without notice to Shareholders. Such a JPMS Affiliate or third party is not under any obligation to take the interests of other Shareholders into account when making its investment decisions. As any large redemption from the Sub-Fund will have the indirect effect of increasing the proportion of those of the Sub-Fund's costs and expenses which are not based on the Net Asset Value of the Sub-Fund that the remaining Shareholders may have to bear. Shareholders should therefore note that any redemption of its investment by a JPMS Affiliate or third party may have a negative effect on the value of their investment in the Sub-Fund. Furthermore, in certain circumstances a redemption by a JPMS Affiliate or third party may i) lead the Directors to determine to compulsorily redeem all of the remaining Shares in a Class or the Sub-Fund in accordance with the "Termination of Sub-Funds or Classes of Shares" sub-section of the "General Information – Termination of the Company" section of the Prospectus (for example, if the Directors determine that the net assets in the Sub-Fund or Class of Shares have decreased to an amount determined by the Board of Directors from time to time to be the minimum level for the Sub-Fund or Class of Shares to be operated in an economically efficient manner), in which case Shareholders' investment would be redeemed in its entirety, or ii) cause other investors in the Sub-Fund to redeem their investment, and in either case Shareholders may incur a loss as a result. Shareholders should therefore note that any redemption of its investment by a JPMS Affiliate or third party may have a negative effect on the value of their investment in the Sub-Fund.

Foreign exchange rate: In order to calculate the Index level, the closing price of any constituent stock of the Index which is not denominated in Euro will be converted into Euro using the foreign exchange rate as set out in the Index rules. The returns of the Index may be adversely affected by daily variations in the foreign exchange rate of Euro against the currency in which the constituent stocks of the Index are denominated.

INDEX DISCLAIMER

J.P. Morgan

The J.P. Morgan Equity Risk Premia - Europe VALUE FACTOR Long Only Index ("**JPMorgan Index**") has been licensed to Lyxor International Asset Management (the "**Licensee**") for the Licensee's benefit. Neither the Licensee nor Lyxor Index Fund - Lyxor J.P. Morgan Europe Value Factor Index UCITS ETF (the "**Licensed Fund**") is sponsored, operated or endorsed by J.P. Morgan Securities plc ("**JPMS plc**") nor any of its affiliates (together and individually, "**JPMorgan**"). JPMorgan makes no representation or no warranty, express or implied, to investors in or owners of the Licensed Fund (or any person taking exposure to it) or any member of the public in any other circumstances (each an "**Investor**"): (a) regarding the advisability of investing in securities or other financial products generally or in the Licensed Fund particularly; or (b) the suitability or appropriateness of an exposure to the JPMorgan Index in seeking to achieve any particular objective. It is for those taking an exposure to the Licensed Fund and/or the JPMorgan Index to satisfy

themselves of these matters and such persons should seek appropriate professional advice before making any investment. JPMorgan is not responsible for and does not have any obligation or liability in connection with the issuance, administration, marketing or trading of the Licensed Fund. The publication of the JPMorgan Index and the referencing of any asset or other factor of any kind in the JPMorgan Index does not constitute any form of investment recommendation or advice in respect of that asset or other factor by JPMorgan and no person should rely upon it as such. JPMorgan does not act as an investment adviser or investment manager in respect of the JPMorgan Index or the Licensed Fund and does not accept any fiduciary duties in relation to the JPMorgan Index, the Licensee or to any Investor.

The JPMorgan Index has been designed and is compiled, calculated, maintained and sponsored by JPMS plc without regard to the Licensee, the Licensed Fund or any Investor. The ability of the Licensee to make use of the JPMorgan Index may be terminated at short notice and it is the responsibility of the Licensee to provide for the consequences of that in the design of the Licensed Fund. JPMS plc does not accept any legal obligation to take the needs of any person who may invest in a Licensed Fund into account in designing, compiling, calculating, maintaining or sponsoring the JPMorgan Index or in any decision to cease doing so.

JPMorgan does not give any representation, warranty or undertaking, of any type (whether express or implied, statutory or otherwise) in relation to the JPMorgan Index, as to condition, satisfactory quality, performance or fitness for purpose or as to the results to be achieved by an investment in the Licensed Fund or any data included in or omissions from the JPMorgan Index, or the use of the JPMorgan Index in connection with the Licensed Fund or the veracity, currency, completeness or accuracy of the information on which the JPMorgan Index is based (and without limitation, JPMorgan accepts no liability to any Investor for any errors or omissions in that information or the results of any interruption to it and JPMorgan shall be under no obligation to advise any person of any such error, omission or interruption). To the extent any such representation, warranty or undertaking could be deemed to have been given by JPMorgan, it is excluded save to the extent that such exclusion is prohibited by law. To the fullest extent permitted by law, JPMorgan shall have no liability or responsibility to any person or entity (including, without limitation, any Investors) for any loss, damages, costs, charges, expenses or other liabilities howsoever arising, including, without limitation, liability for any special, punitive, indirect or consequential damages (including loss of business or loss of profit, loss of time and loss of goodwill), even if notified of the possibility of the same, arising in connection with the design, compilation, calculation, maintenance or sponsoring of the JPMorgan Index or in connection with the Licensed Fund.

The JPMorgan Index is the exclusive property of JPMS plc. JPMS plc is under no obligation to continue compiling, calculating, maintaining or sponsoring the JPMorgan Index and may delegate or transfer to a third party some or all of its functions in relation to the JPMorgan Index.

JPMorgan may independently issue or sponsor other indices or products that are similar to and may compete with the JPMorgan Index and the Licensed Fund. They may also transact in assets referenced in the JPMorgan Index (or in financial instruments such as derivatives that reference those assets). It is possible that these activities could have an effect (positive or negative) on the value of the JPMorgan Index and the Licensed Fund.

Each of the above paragraphs is severable. If the contents of any such paragraph is held to be or becomes invalid or unenforceable in any respect in any jurisdiction, it shall have no effect in that respect, but without prejudice to the remainder of this notice.

MSCI

The MSCI Europe Index was used by the Index sponsor as the reference universe for selection of the companies included in the J.P. Morgan Equity Risk Premia – Europe VALUE FACTOR Long Only Index (the “JPMorgan Index”). MSCI does not in any way sponsor, support, promote or endorse the JPMorgan Index. MSCI was not and is not involved in any way in the creation, calculation, maintenance or review of the JPMorgan Index. The MSCI Europe Index was provided to the Index Sponsor on an “as is” basis. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating the MSCI Europe Index (collectively, the “MSCI Parties”) expressly disclaim all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose). Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages in connection with the MSCI Europe Index or the JPMorgan Index.

Solactive

The Sub-Fund is not sponsored, promoted, sold or supported in any other manner by Solactive AG nor does Solactive AG offer any express or implicit guarantee or assurance either with regard to the results of using the Index and/or Index trade mark or the Index price at any time or in any other respect. The Index is calculated and published by Solactive AG. Solactive AG uses its best efforts to ensure that the Index is calculated correctly. Irrespective of its obligations towards the Sub-Fund, Solactive AG has no obligation to point out errors in the Index to third parties including but not limited to investors and/or financial intermediaries of the Sub-Fund. Neither publication of the Index by Solactive AG nor the licensing of the Index or Index trade mark for the purpose of use in connection with the Sub-Fund constitutes a recommendation by Solactive AG to invest capital in said Sub-Fund nor does it in any way represent an assurance or opinion of Solactive AG with regard to any investment in this Sub-Fund.

5 - Lyxor Index Fund – Lyxor J.P. Morgan Europe Quality Factor Index UCITS ETF

The Reference Currency of the Sub-Fund is the EUR.

The Sub-Fund is compliant with the French Plan d'Epargne en Actions (PEA).

Investment Objective

The investment objective of the **Lyxor Index Fund – Lyxor J.P. Morgan Europe Quality Factor Index UCITS ETF** is to track both the upward and the downward evolution of the J.P. Morgan Equity Risk Premia - Europe QUALITY FACTOR Long Only Index (the "**Index**") (Bloomberg Code: JPERPLQU), denominated in EUR and representative of the performance of 40 stocks with high quality risk premia within the MSCI Europe Index (Bloomberg Code: MXEU Index) (the "**MSCI Europe Index**"), based on their net profit margin, equity debt ratio and return on equity.

The anticipated Tracking Error ex-post in normal market conditions is expected to be 0.08%.

General description of the Index

The Index is a long-only rules based index which seeks to generate returns by selecting stocks based on the Equity Risk Premium Factors which in this case are the Quality Factors, as described below.

The Index construction

The Index selects 40 stocks from the constituents of the MSCI Europe Index, with the exception of certain stocks which do not satisfy certain eligibility criteria as set out in the Index rules. The Index provides synthetic long exposure to the performance of these selected 40 stocks, in accordance with the Index calculation methodology.

On each rebalancing selection date the selection of the eligible stocks is made in accordance with the Index calculation methodology on the basis of the Equity Risk Premium Factors, which are represented in this case by the following metrics:

- the net profit margin (determined as the ratio of the mean analyst consensus estimate of the net profit margin per share of the upcoming financial year as published by the Institutional Brokers' Estimate System, and the price per share);
- the equity debt ratio (determined as the ratio of the mean analyst consensus estimate of the total share holders' equity to net debt, both of the upcoming financial year, and as published by the Institutional Brokers' Estimate System); and
- the return on equity (determined as the mean analyst consensus estimate of the return on equity per share of the upcoming financial year as published by the Institutional Brokers' Estimate System),

immediately preceding a rebalancing selection date (each a "**Quality Factor**" and collectively the "**Quality Factors**").

Each Quality Factor in respect of each eligible stock is then normalised by comparing the relevant Quality Factor of such eligible stock against the relevant Quality Factor of all other eligible stocks from the same sector as defined in the Index rules. The normalisation process aims to reduce sectoral bias which may otherwise lead to a high concentration in one or a few sectors. Following the completion of the normalisation process, the average of the normalised Quality Factors is determined in respect of each eligible stock. A ranking methodology will then be applied to all eligible stocks and the 40 stocks with the highest average normalised Quality Factors are selected subject to certain tradability criteria as set out in the Index rules. The selected eligible stocks are then equally weighted and will form the constituent stocks of the Index in respect of the related rebalancing date.

The Index is a net total return index. A net total return index calculates the performance of the index constituents on the basis that any dividends or distributions are reinvested net of any withholding tax applicable.

Publication of the Index

The Index level is calculated and published daily by Solactive AG. The Index level is available via the following website: jpmorganindices.com. The Index level is also available daily via Bloomberg: JPERPLQU.

The Sub-Fund tracks the Index based on the closing levels of the Index.

The complete methodology of the Index and the Questions and Answers document (Q&A) is available on jpmorganindices.com

Index composition and revision

The Index will be rebalanced and equally weighted on a monthly basis, subject to the provisions set out in the Index rules.

J.P. Morgan Securities plc is responsible for the maintenance of the Index. A full description and the complete methodology for the construction of the Index and information on the composition, respective weightings and applicable fees (including, the potential amount of the rebalancing adjustments that may be deducted from the performance of the Index) for the Index and Questions and Answers document (Q&A) are available on www.jpmorganindices.com. Before making any investment decision, investors should ensure that they have read and understood the full description of the Index which is available on that website.

There are rebalancing adjustments associated with replicating the entry into and the exit from each stock position referenced by the Index. A rebalancing adjustment of 0.04% is applied to the absolute change in the exposure (i.e. the changes generated by the Index either increasing or decreasing exposure to stocks) and is deducted from the Index performance on each rebalancing date.

Rebalancing operations carried out within the frequency stated above could have an impact in terms of costs paid or incurred by the Sub-Fund and could consequently affect the performance of the Sub-Fund.

Investment Policy

The Sub-Fund will carry out its investment objective via an Indirect Replication as described in the present Prospectus.

The limits laid down in APPENDIX A – "INVESTMENT RESTRICTIONS" of the Prospectus are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body. This 20% cap will be monitored on each Index rebalancing date, based on the Index's calculation method, which limits exposure to equities of the same issuer to 20% and which is calculated by the Index sponsor or calculation agent. This 20% cap may be raised to 35% for a single issuer when justified by exceptional market conditions, for example when some securities are predominant and/or in the event of strong volatility of a financial instrument or securities linked to an economic sector represented in the Index. This could be the case if, for example, a takeover bid affects one of the securities in the Index or in the event of a significant restriction on liquidity affecting one or more financial instruments in the Index.

For the avoidance of doubt, any collateral received by the Sub-Fund is posted outright on the account of the Sub-Fund open in the Depositary's books. As such, collateral received will be recorded on the Sub-Fund assets. In case of counterparty default, the Sub-Fund can dispose of the assets received from the defaulting counterparty in order to extinguish the debt of this counterparty vis-a-vis the Sub-Fund under the guaranteed transaction.

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with Appendix B of this Prospectus.

Classes of Shares

This Sub-Fund issues the following Classes of Shares: D-EUR, C-EUR (see hereafter chapter IV. *INVESTING IN THE COMPANY ON THE PRIMARY MARKET A. THE SHARES).*

Investors' attention is drawn to the fact that this Sub-Fund issues UCITS ETF Classes of Shares listed on several stock exchanges. For further information on the UCITS ETF Classes of Shares or other Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics

Notwithstanding the arrangements of chapter VII. DISTRIBUTION POLICY, dividends will be distributed for the D Shares on quarterly or yearly basis as may be decided from time to time by the Board of Directors.

The C Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the C Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with at the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the C Shares is of EUR 100,000.The minimum subsequent subscription is of one (1) Share.

The D Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the D Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the D Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

Risk Management

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

Market Maker for this Sub-Fund

For this Sub-Fund, the main market maker is J.P. Morgan Securities plc.

For the avoidance of doubt, other market makers could be appointed from time to time by the Company in respect of one or several stock exchange on which certain Shares Classes are listed.

Sub-Custodian of this Sub-Fund as set out in Part I of the Prospectus

Bank of New York Mellon

IMPORTANT INFORMATION

Certain risks relating to the Shares are set out in Appendix C entitled *Special Risk Considerations and Risk Factors*. In addition, Shareholders must also note the following risk considerations.

The Index and its objective: The Index may not be successful in achieving its stated objective of seeking to generate returns by selecting stocks based on the Quality Factors. In order to achieve its stated objective, the Index follows a proprietary strategy of selecting stocks on each rebalancing date based on the highest normalised Quality Factor using consensus analyst forecasts of stock financials as of such rebalancing date. Such consensus forecasts reflect the aggregate of analysts' view and not recommendations with the view of outperforming any relevant benchmarks. Such consensus forecasts may not accurately reflect the subsequent financials of the relevant stock. The number as well as range of such forecasts which are available from the data source provider may affect the consensus level. A lower number and range of consensus forecasts may not be as effective a measure of forecasting relevant stock financials. No assurance can be given that the stocks selected will continue to exhibit a high Quality Factor subsequent to each rebalancing date. The Index and the Quality Factor methodology have been constructed on the basis of certain historically observed trends, correlations or assumptions, none of which may be realized during the term of any exposure to the stocks.

Third party data source provider: the Index calculation agent uses the information and data provided by I/B/E/S International Inc. to determine the selection of the eligible stocks which will comprise the constituent stocks of the Index at the time of the rebalancing. Failure of the data source provider to (i) announce or publish the data or other information necessary for the Index calculation agent to determine the any of the factors in respect of the eligible stocks or (ii) temporary or permanent discontinuance or unavailability of such data and/or information may potentially lead to a data source disruption event. If the number of constituent stocks affected by the disruption is greater than a specified threshold, then the constituent stocks comprising the Index shall remain the same until the next rebalancing. There can be no assurance that this data or information provided by I/B/E/S International Inc. is reliable and accurate. The Index calculation agent has not verified the reliability or accuracy of such data and/or information.

Dynamic allocation mechanism: There is a dynamic allocation mechanism in the Index that limits the exposure of the Index to the performance of a sub-set of the stocks of the MSCI Europe Index, which results in the Index being more concentrated than the MSCI Europe Index itself. Accordingly, the performance of the Index may be lower and/or more volatile than that which would be achieved if there was a full allocation or exposure to stocks comprising the MSCI Europe Index. For instance but not limited to this example, the Index is likely to underperform the MSCI Europe Index in a bearish (i.e. where the price of securities which comprise the MSCI Europe Index are generally falling) and volatile scenario, when negative returns of the Index may become strongly correlated and the lesser diversification in comparison with the MSCI Europe Index may make the Index underperform the MSCI Europe Index. In addition, the allocation mechanism is proprietary and may not behave in a manner similar to other such mechanisms offered by other index sponsors and may result in an Index performance that is lower than would have been achieved using a different allocation mechanism.

Lack of Reactivity to Changing Circumstances: The Index rebalances on a monthly basis on each rebalancing date based on stocks which are selected on the rebalancing selection date in accordance with the Index rules. In the event that circumstances change affecting the equity risk premium factor of the constituents of the Index between a rebalancing selection date and a rebalancing date, or shortly after a rebalancing date, this will not change the constituents of the Index until the next rebalancing date. As a result, the Index may not react to changing circumstances as quickly as an actively managed strategy.

Rules for determining the eligible stocks may change: The Index provides exposure to eligible stocks of the MSCI Europe Index. The methodology for determining (i) the selection of the eligible stocks which will form part of the Index and

(ii) the level of the eligible stocks, may be amended by the Index sponsor in certain circumstances as set out in the Index rules. Any such changes may have a detrimental effect on the level of the Index and the determination methodology of the eligible stocks.

Index Performance: All investors in the Sub-Fund should be aware that the value of their Shares will depend on the performance of the Index.

The Shares should therefore only be considered suitable for investors if they:

(i) have read and understood the manner in which the swap will function so that they fully understand how their Shares will perform as a result of the performance of the Index, which is delivered by way of swap from a counterparty;

(ii) have read and understood the Prospectus and KIID of the Sub-Fund as well as the information available on the Index, including the Index Rules and the questions and answers (Q&A) document in respect of the Index and available on www.jpmorganindices.com; and

(iii) believe that the Index will generate a positive performance over the life of their investment because a fall in the Index value will lead to them receiving less than their initial investment upon selling their Shares.

The historical performance of the Index is not an indication of its future performance: It is not possible to predict whether the level of the Index will rise or fall. The actual performance of the Index may bear little relation to the historical levels of the Index.

Performance and/or Correlation of the Index: There is no assurance as to how the Index will perform in either absolute terms or in relative terms. Specifically, there can be no assurance as to how the Index will perform in relation to the performance of equities or any other asset class.

The Index has limited historical information and may perform in unanticipated ways: The Index has only recently been established as a tradable strategy and therefore has no data on which to evaluate its long-term historical performance. Any back-testing or similar analysis on the Index is illustrative only and may be based on estimates or assumptions not used in determining actual levels of the Index. The historical performance of the Index before April 14, 2015 available on Bloomberg or from any other information vendors may show hypothetical performance based on backtesting and/or scenario analysis. This does not represent the performance of an actual investment and is derived by applying the methodology (using certain assumptions) on a retroactive basis. Hypothetical performance results have many inherent limitations and there may frequently be sharp differences between hypothetical performance results and the actual results subsequently achieved. Because the Index is of recent origin and limited historical performance data exists with respect to it, your investment in the Sub-Fund may involve greater risk than investing in investments linked to one or more indices with an established record of performance.

Volatility: The levels of the stocks underlying the Index can be volatile and move dramatically over short periods of time. There can be no assurance that the relevant exposures will not be subject to substantial negative returns. Positive returns on the Index may therefore be reduced or eliminated entirely.

Determinations of Index calculation agent and Index sponsor: The Index is an algorithmic and rule-based index. As detailed in the Index calculation methodology, the Index calculation agent and/or Index sponsor (as applicable) may make certain determinations in the event of certain market disruption or extraordinary events in respect of the Index or a component stock and if so, the nature of the relevant consequences. Determinations made by the Index calculation agent and/or Index sponsor (as applicable) could adversely affect the value or performance of the Index or any product linked to the Index and the determinations made by the Index calculation agent and/or Index sponsor (as applicable) could present it with a conflict of interest. In making those determinations, the Index calculation agent and/or Index sponsor (as applicable) will act in good faith and a commercially reasonable manner and may use reasonable discretion. The Index calculation agent and/or Index sponsor (as applicable) will not be required to, and will not, take the interests of any investor of any such product into account or consider the effect its determinations will have on the value of such a product. All determinations made by the Index calculation agent and/or Index sponsor (as applicable), in accordance with the Index calculation methodology, shall be conclusive. The Index calculation agent and/or Index sponsor (as applicable) shall not have any liability for such determinations.

Credit risk and conflicts of interests of J.P. Morgan Securities plc: The return payable under the swaps entered into by the Sub-Fund with a counterparty is subject to the credit risk of the counterparty. In addition, the counterparty may act as the calculation agent under the swaps (the "**Calculation Agent**"). On the launch date, the only counterparty is J.P. Morgan Securities plc who is also the Index sponsor and the Calculation Agent **(**although any other counterparty who is licensed by the Index sponsor may also enter into swaps with the Sub-Fund to provide exposure to the Index**)**. When J.P. Morgan Securities plc is the counterparty, the Calculation Agent and Index Sponsor, Shareholders should note that not

only will they be exposed to the credit risk of J.P. Morgan Securities plc as counterparty but also to potential conflicts of interest in the performance of the functions of counterparty, Calculation Agent and Index sponsor by J.P. Morgan Securities plc. As a result of its hedging activity, the counterparty can still profit from the product, even if the Sub-Fund does not generate positive returns. The Index sponsor is responsible for the composition, calculation and maintenance of the Index and will have no involvement in the offer and sale of the Sub-Fund in its capacity as sponsor of the Index and will have no obligation to any purchaser of Shares in such capacity. The Index sponsor may take any actions in respect of the Index without regard to the interests of the purchasers or holders of the Shares. The Index sponsor may license the Index, any of its sub-indices or strategies similar to the Index for use by other market participants, for publication in newspapers and periodicals, for distribution by information and data dissemination services and for various other purposes, any of which may contribute to an increased level of investment in the Index (or its underlying components) or similar strategies and which may therefore affect the level of the Index and the market value of the Shares.

Rebalancing adjustments: The level of the Index is adjusted to account for rebalancing adjustments, which reflect the replication costs applied algorithmically within by the Index for each rebalancing of the components and may not reflect the rebalancing costs that a dealer may face when entering into similar transactions. The rebalancing adjustments are applied in respect of the stocks referenced in the Index which are rebalanced monthly and equal 0.04% per stock. The resulting effect of the rebalancing adjustments is to act as a drag on the performance of the Index. The drag is greater in circumstances where the absolute change in exposure (i.e. a decrease or increase in exposure) of the Index to its constituent stocks is larger. Although an investor in the Sub-Fund may lose money on its investment due to the performance of the Index, any counterparty (or any of their affiliates) that delivers part or all of the Index in the form of swaps may generate a profit from the above rebalancing adjustments. For further details on the Index rebalancing adjustments, please refer to the Index questions and answers (Q&A) that can be found at www.jpmorganindices.com.

Termination of Index licence: Whilst the Company has the right to use and reference the Index in connection with the Sub-Fund in accordance with the terms of the Index licence, in the event that the licence is terminated the Sub-Fund may not be able to issue any new Shares to new or existing investors and the Sub-Fund may be terminated.

JPMS Affiliate investment or equivalent arrangements: At any time following its launch, the Sub-Fund may receive investment, which may be substantial, from J.P. Morgan Securities plc or one of its affiliates (a "**JPMS Affiliate**"). Alternatively, a JPMS Affiliate may make arrangements with third parties which incentivise those third parties to invest in the Sub-Fund. Investors should be aware that such a JPMS Affiliate or third party may (i) hedge any of its investments in whole or part, thereby reducing its exposure to the performance of the Sub-Fund; and (ii) redeem its investment in the Sub-Fund at any time, without notice to Shareholders. Such a JPMS Affiliate or third party is not under any obligation to take the interests of other Shareholders into account when making its investment decisions. As any large redemption from the Sub-Fund will have the indirect effect of increasing the proportion of those of the Sub-Fund's costs and expenses which are not based on the Net Asset Value of the Sub-Fund that the remaining Shareholders may have to bear. Shareholders should therefore note that any redemption of its investment by a JPMS Affiliate or third party may have a negative effect on the value of their investment in the Sub-Fund. Furthermore, in certain circumstances a redemption by a JPMS Affiliate or third party may i) lead the Directors to determine to compulsorily redeem all of the remaining Shares in a Class or the Sub-Fund in accordance with the "Termination of Sub-Funds or Classes of Shares" sub-section of the "General Information – Termination of the Company" section of the Prospectus (for example, if the Directors determine that the net assets in the Sub-Fund or Class of Shares have decreased to an amount determined by the Board of Directors from time to time to be the minimum level for the Sub-Fund or Class of Shares to be operated in an economically efficient manner), in which case Shareholders' investment would be redeemed in its entirety, or ii) cause other investors in the Sub-Fund to redeem their investment, and in either case Shareholders may incur a loss as a result. Shareholders should therefore note that any redemption of its investment by a JPMS Affiliate or third party may have a negative effect on the value of their investment in the Sub-Fund.

Foreign exchange rate: In order to calculate the Index level, the closing price of any constituent stock of the Index which is not denominated in Euro will be converted into Euro using the foreign exchange rate as set out in the Index rules. The returns of the Index may be adversely affected by daily variations in the foreign exchange rate of Euro against the currency in which the constituent stocks of the Index are denominated.

INDEX DISCLAIMER

J.P. Morgan

The J.P. Morgan Equity Risk Premia - Europe QUALITY FACTOR Long Only Index ("**JPMorgan Index**") has been licensed to Lyxor International Asset Management (the "**Licensee**") for the Licensee's benefit. Neither the Licensee nor Lyxor Index Fund - Lyxor J.P. Morgan Europe Quality Factor Index UCITS ETF (the "**Licensed Fund**") is sponsored, operated or endorsed by J.P. Morgan Securities plc ("**JPMS plc**") nor any of its affiliates (together and individually, "**JPMorgan**"). JPMorgan makes no representation or no warranty, express or implied, to investors in or owners of the Licensed Fund (or any person taking exposure to it) or any member of the public in any other circumstances (each an "**Investor**"): (a) regarding the advisability of investing in securities or other financial products generally or in the Licensed Fund particularly; or (b) the suitability or appropriateness of an exposure to the JPMorgan Index in seeking to achieve any particular objective. It is for those taking an exposure to the Licensed Fund and/or the JPMorgan Index to satisfy

themselves of these matters and such persons should seek appropriate professional advice before making any investment. JPMorgan is not responsible for and does not have any obligation or liability in connection with the issuance, administration, marketing or trading of the Licensed Fund. The publication of the JPMorgan Index and the referencing of any asset or other factor of any kind in the JPMorgan Index does not constitute any form of investment recommendation or advice in respect of that asset or other factor by JPMorgan and no person should rely upon it as such. JPMorgan does not act as an investment adviser or investment manager in respect of the JPMorgan Index or the Licensed Fund and does not accept any fiduciary duties in relation to the JPMorgan Index, the Licensee or to any Investor.

The JPMorgan Index has been designed and is compiled, calculated, maintained and sponsored by JPMS plc without regard to the Licensee, the Licensed Fund or any Investor. The ability of the Licensee to make use of the JPMorgan Index may be terminated at short notice and it is the responsibility of the Licensee to provide for the consequences of that in the design of the Licensed Fund. JPMS plc does not accept any legal obligation to take the needs of any person who may invest in a Licensed Fund into account in designing, compiling, calculating, maintaining or sponsoring the JPMorgan Index or in any decision to cease doing so.

JPMorgan does not give any representation, warranty or undertaking, of any type (whether express or implied, statutory or otherwise) in relation to the JPMorgan Index, as to condition, satisfactory quality, performance or fitness for purpose or as to the results to be achieved by an investment in the Licensed Fund or any data included in or omissions from the JPMorgan Index, or the use of the JPMorgan Index in connection with the Licensed Fund or the veracity, currency, completeness or accuracy of the information on which the JPMorgan Index is based (and without limitation, JPMorgan accepts no liability to any Investor for any errors or omissions in that information or the results of any interruption to it and JPMorgan shall be under no obligation to advise any person of any such error, omission or interruption). To the extent any such representation, warranty or undertaking could be deemed to have been given by JPMorgan, it is excluded save to the extent that such exclusion is prohibited by law. To the fullest extent permitted by law, JPMorgan shall have no liability or responsibility to any person or entity (including, without limitation, any Investors) for any loss, damages, costs, charges, expenses or other liabilities howsoever arising, including, without limitation, liability for any special, punitive, indirect or consequential damages (including loss of business or loss of profit, loss of time and loss of goodwill), even if notified of the possibility of the same, arising in connection with the design, compilation, calculation, maintenance or sponsoring of the JPMorgan Index or in connection with the Licensed Fund.

The JPMorgan Index is the exclusive property of JPMS plc. JPMS plc is under no obligation to continue compiling, calculating, maintaining or sponsoring the JPMorgan Index and may delegate or transfer to a third party some or all of its functions in relation to the JPMorgan Index.

JPMorgan may independently issue or sponsor other indices or products that are similar to and may compete with the JPMorgan Index and the Licensed Fund. They may also transact in assets referenced in the JPMorgan Index (or in financial instruments such as derivatives that reference those assets). It is possible that these activities could have an effect (positive or negative) on the value of the JPMorgan Index and the Licensed Fund.

Each of the above paragraphs is severable. If the contents of any such paragraph is held to be or becomes invalid or unenforceable in any respect in any jurisdiction, it shall have no effect in that respect, but without prejudice to the remainder of this notice.

MSCI

The MSCI Europe Index was used by the Index sponsor as the reference universe for selection of the companies included in the J.P. Morgan Equity Risk Premia – Europe QUALITY FACTOR Long Only Index (the "**JPMorgan Index**"). MSCI does not in any way sponsor, support, promote or endorse the JPMorgan Index. MSCI was not and is not involved in any way in the creation, calculation, maintenance or review of the JPMorgan Index. The MSCI Europe Index was provided to the Index Sponsor on an "as is" basis. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating the MSCI Europe Index (collectively, the "**MSCI Parties**") expressly disclaim all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose). Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages in connection with the MSCI Europe Index or the JPMorgan Index.

Solactive

The Sub-Fund is not sponsored, promoted, sold or supported in any other manner by Solactive AG nor does Solactive AG offer any express or implicit guarantee or assurance either with regard to the results of using the Index and/or Index trade mark or the Index price at any time or in any other respect. The Index is calculated and published by Solactive AG. Solactive AG uses its best efforts to ensure that the Index is calculated correctly. Irrespective of its obligations towards the Sub-Fund, Solactive AG has no obligation to point out errors in the Index to third parties including but not limited to investors and/or financial intermediaries of the Sub-Fund. Neither publication of the Index by Solactive AG nor the licensing of the Index or Index trade mark for the purpose of use in connection with the Sub-Fund constitutes a

recommendation by Solactive AG to invest capital in said Sub-Fund nor does it in any way represent an assurance or opinion of Solactive AG with regard to any investment in this Sub-Fund.

6 - Lyxor Index Fund – Lyxor J.P. Morgan Multi-factor Europe Index UCITS ETF

The Reference Currency of the Sub-Fund is the EUR.

The Sub-Fund is compliant with the French Plan d'Epargne en Actions (PEA).

Investment Objective

The investment objective of the **Lyxor Index Fund – Lyxor J.P. Morgan Multi-factor Europe Index UCITS ETF** is to track both the upward and the downward evolution of the J.P. Morgan Equity Risk Premia – Europe Multi Factor Long Only (EUR) Index (the "**Index**"), denominated in EUR and representative of the performance of a basket of stocks made from stocks comprising the 5 european risk factor indices detailed below (value, low size, momentum, low beta and quality) (the "**ERPF Indices**"). Each of the risk factors on which the applicable ERPF Index is based is equally weighted within the Index as a result of the weighting methodology, so that the Index will equally represent such 5 European risk factors.

The anticipated Tracking Error ex-post in normal market conditions is expected to be 0.08%.

General description of the Index

The Index is a long-only rules based index which seeks to generate returns by selecting all the stocks that comprise the 5 ERPF Indices. The composition of each ERPF Index will be equally weighted within the Index.

The Index construction

The Index tracks the returns of all stocks which comprise each of the 5 ERPF Indices, using a weighting methodology such that the composition of each ERPF Index is equally weighted within the Index, as further described in the Index rules. The Index provides synthetic long exposure to the performance of such selected stocks.

The constitution of the Index is adjusted on each rebalancing date of the Index, which coincides with the rebalancing date of the ERPF Indices described below.

The ERPF Indices are based on the MSCI Europe Index universe (Bloomberg Code: MXEU Index) and are the following:

- J.P. Morgan Equity Risk Premia - Europe LOW BETA FACTOR Long Only Index (the "**Beta Factor**"). The index is a long-only rule based index which seeks to generate returns by selecting stocks based on an equity risk premium factor which in this case is the beta factor, which represents the sensitivity of the returns of an eligible stock to the returns of its local equity market over a 1 year period immediately preceding a rebalancing selection date.
- J.P. Morgan Equity Risk Premia - Europe LOW SIZE FACTOR Long Only Index (the "**Size Factor**").The index is a long-only rule based index which seeks to generate returns by selecting stocks based on an equity risk premium factor which in this case is the size factor, which represents the market capitalization of the stock immediately preceding a rebalancing selection date.
- J.P. Morgan Equity Risk Premia - Europe MOMENTUM FACTOR Long Only Index (the "**Momentum Factor**"). The index is a long-only rule based index which seeks to generate returns by selecting stocks based on an equity risk premium factor which in this case is the momentum factor, which represents the total return of a stock in EUR over the 12 months immediately preceding a rebalancing selection date.
- J.P. Morgan Equity Risk Premia - Europe QUALITY FACTOR Long Only Index (the "**Quality Factor**"). The index is a long-only rule based index which seeks to generate returns by selecting stocks based on the equity risk premium factor which in this case are the quality factors represented in this case by three metrics (the net profit margin, the equity debt ratio, the return on equity).
- J.P. Morgan Equity Risk Premia - Europe VALUE FACTOR Long Only Index (the "**Value Factor**"). The index is a long-only rule based index which seeks to generate returns by selecting stocks based on the equity risk premium factor which in this case are the value factors represented in this case by three metrics (the earnings yield, the free cash flow yield, the book to price ratio).

Each ERPF Index comprises 40 stocks.

The complete methodology of these 5 ERPF Indices is available on jpmorganindices.com

The performance of each stock selected by the Index is with dividends reinvested net of any applicable withholding tax.

Publication of the Index

The Index level is calculated and published daily by Solactive AG. The Index level is available via the following website: jpmorganindices.com.
The Sub-Fund tracks the Index based on the closing levels of the Index.

The complete methodology of the Index and the Questions and Answers document (Q&A) is available on jpmorganindices.com

Index composition and revision

The Index will be rebalanced and equally weighted on a monthly basis, subject to the provisions set out in the Index rules.

J.P. Morgan Securities plc is responsible for the maintenance of the Index. A full description and the complete methodology for the construction of the Index and information on the composition, respective weightings and applicable fees (including, the potential amount of the rebalancing adjustments that may be deducted from the performance of the Index) for the Index and Questions and Answers document (Q&A) are available on www.jpmorganindices.com. Before making any investment decision, investors should ensure that they have read and understood the full description of the Index which is available on that website.

There are rebalancing adjustments associated with replicating the entry into and the exit from each stock position referenced by the Index. A rebalancing adjustment of 0.04% is applied to the absolute change in the exposure (i.e. the changes generated by the Index either increasing or decreasing exposure to stocks) and is deducted from the Index performance on each rebalancing date.

Rebalancing operations carried out within the frequency stated above could have an impact in terms of costs paid or incurred by the Sub-Fund and could consequently affect the performance of the Sub-Fund.

Investment Policy

The Sub-Fund will carry out its investment objective via an Indirect Replication as described in the present Prospectus.

The limits laid down in APPENDIX A – "INVESTMENT RESTRICTIONS" of the Prospectus are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body. This 20% cap will be monitored on each Index rebalancing date, based on the Index's calculation method, which limits exposure to equities of the same issuer to 20% and which is calculated by the Index sponsor or calculation agent. This 20% cap may be raised to 35% for a single issuer when justified by exceptional market conditions, for example when some securities are predominant and/or in the event of strong volatility of a financial instrument or securities linked to an economic sector represented in the Index. This could be the case if, for example, a takeover bid affects one of the securities in the Index or in the event of a significant restriction on liquidity affecting one or more financial instruments in the Index.

For the avoidance of doubt, any collateral received by the Sub-Fund is posted outright on the account of the Sub-Fund open in the Depositary's books. As such, collateral received will be recorded on the Sub-Fund assets. In case of counterparty default, the Sub-Fund can dispose of the assets received from the defaulting counterparty in order to extinguish the debt of this counterparty vis-a-vis the Sub-Fund under the guaranteed transaction.

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with Appendix B of this Prospectus.

Classes of Shares

The Sub-Fund issues the following Classes of Shares: D-EUR, C-EUR (see chapter IV. *INVESTING IN THE COMPANY ON THE PRIMARY MARKET A. THE SHARES).*

Investors' attention is drawn to the fact that this Sub-Fund is an UCITS ETF listed on several stock exchanges. For further information on the Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics.

Notwithstanding the arrangements of chapter VII. DISTRIBUTION POLICY, dividends will be distributed for the D-EUR Shares on quarterly or yearly basis as may be decided from time to time by the Board of Directors.

The C-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the C-EUR Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with at the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the C-EUR Shares is of EUR 100,000.The minimum subsequent subscription is of one (1) Share.

The D-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the D-EUR Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the D-EUR Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

Risk Management

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

Market Maker for this Sub-Fund

For this Sub-Fund, the main market maker is J.P. Morgan Securities plc.

For the avoidance of doubt, other market makers could be appointed from time to time by the Company in respect of one or several stock exchange on which certain Shares Classes are listed.

Sub-Custodian of this Sub-Fund as set out in Part I of the Prospectus

Bank of New York Mellon

IMPORTANT INFORMATION

Certain risks relating to the Shares are set out in Appendix C entitled *Special Risk Considerations and Risk Factors*. In addition, Shareholders must also note the following risk considerations.

The Index and its objective: The Index may not be successful in achieving its stated objective of seeking to generate returns by selecting stocks on the basis of the methodology set out in the Index rules. In order to achieve its stated objective, the Index follows a proprietary strategy of selecting stocks on each rebalancing date based on the stock selected by the ERPF Indices on each rebalancing selection date. The Index is ultimately exposed to a basket of stocks and no assurance can be given that such stocks selected will generate positive return.

Reduced Diversification Compared to the MSCI Europe Index: The Index embeds a dynamic allocation that limits the exposure of the Index to the performance of the stocks comprised within the ERPF Indices, being a sub-set of the stocks of the MSCI Europe Index. This results in the Index being more concentrated than the MSCI Europe Index itself. Accordingly, the performance of the Index may be lower and/or more volatile than that which would be achieved if there was a full allocation or exposure to stocks comprising the MSCI Europe Index. For instance but not limited to this example, the Index is likely to underperform the MSCI Europe Index in a bearish (i.e. where the price of securities which comprise the MSCI Europe Index are generally falling) and volatile scenario, when negative returns of the Index may become strongly correlated and the lesser diversification in comparison with the MSCI Europe Index may make the Index underperform the MSCI Europe Index.

The occurrence of a data source disruption event of a constituent ERPF Index may affect the selection and rebalancing of the Index: Upon the occurrence of a data source disruption event with respect to an ERPF Index (as further described in the rules of the ERPF Indices), the composition of the relevant ERPF Index will not be rebalanced in respect of its scheduled rebalancing date. Consequently, the portion of the Index composition that is linked to the affected ERPF Index will not be rebalanced and will remain unchanged from the previous rebalancing date. This may result in the composition of the Index being “stale” i.e. not reflecting the stocks with the most up-to-date factor exposures.

Rules for determining the eligible stocks may change: The Index provides exposure to the stocks within the ERPF Indices. The methodology for determining (i) the selection of the stocks which will form part of the Index and (ii) and certain other parameters set out in the Index rules for the selection of the stocks, may be amended by the Index sponsor in certain circumstances as set out in the Index rules. Any such changes may have a detrimental effect on the level of the Index and the determination methodology of the stocks.

Lack of Reactivity to Changing Circumstances: The Index rebalances on a monthly basis on each rebalancing date and tracks the stocks within the ERPF Indices which are selected on the rebalancing selection date and in accordance with the Index rules. In the event that circumstances change between rebalancing dates which adversely affect the performance of the stocks of the Index, the constituents of the Index will not change until the next rebalancing date. As a result, the Index may not react to changing circumstances as quickly as an actively managed strategy and may be adversely affected relative to an actively managed strategy.

Index Performance: All investors in the Sub-Fund should be aware that the value of their Shares will depend on the performance of the Index.

The Shares should therefore only be considered suitable for investors if they:

(i) have read and understood the manner in which the swap will function so that they fully understand how their Shares will perform as a result of the performance of the Index, which is delivered by way of swap from a counterparty;
(ii) have read and understood the Prospectus and KIID of the Sub-Fund as well as the information available on the Index, including the Index Rules and the questions and answers (Q&A) document in respect of the Index and available on www.jpmorganindices.com; and
(iii) believe that the Index will generate a positive performance over the life of their investment because a fall in the Index value will lead to them receiving less than their initial investment upon selling their Shares.

The historical performance of the Index is not an indication of its future performance: It is not possible to predict whether the level of the Index will rise or fall. The actual performance of the Index may bear little relation to the historical levels of the Index.

Performance and/or Correlation of the Index: There is no assurance as to how the Index will perform in either absolute terms or in relative terms. Specifically, there can be no assurance as to how the Index will perform in relation to the performance of equities or any other asset class.

The Index has limited historical information and may perform in unanticipated ways: The Index has only recently been established as a tradable strategy and therefore has no data on which to evaluate its long-term historical performance. Any back-testing or similar analysis on the Index is illustrative only and may be based on estimates or assumptions not used in determining actual levels of the Index. The historical performance of the Index before its live date available on Bloomberg or from any other information vendors may show hypothetical performance based on backtesting and/or scenario analysis. This does not represent the performance of an actual investment and is derived by applying the methodology (using certain assumptions) on a retroactive basis. Hypothetical performance results have many inherent limitations and there may frequently be sharp differences between hypothetical performance results and the actual results subsequently achieved. Because the Index is of recent origin and limited historical performance data exists with respect to it, your investment in the Sub-Fund may involve greater risk than investing in investments linked to one or more indices with an established record of performance.

Volatility: The levels of the stocks underlying the Index can be volatile and move dramatically over short periods of time. There can be no assurance that the relevant exposures will not be subject to substantial negative returns. Positive returns on the Index may therefore be reduced or eliminated entirely.

Determinations of Index calculation agent and Index sponsor: The Index is an algorithmic and rule-based index. As detailed in the Index calculation methodology, the Index calculation agent and/or Index sponsor (as applicable) may make certain determinations in the event of certain market disruption or extraordinary events in respect of the Index or a component stock and if so, the nature of the relevant consequences. Determinations made by the Index calculation agent and/or Index sponsor (as applicable) could adversely affect the value or performance of the Index or any product linked to the Index and the determinations made by the Index calculation agent and/or Index sponsor (as applicable) could present it with a conflict of interest. In making those determinations, the Index calculation agent and/or Index sponsor (as applicable) will act in good faith and a commercially reasonable manner and may use reasonable discretion. The Index calculation agent and/or Index sponsor (as applicable) will not be required to, and will not, take the interests of any investor of any such product into account or consider the effect its determinations will have on the value of such a product. All determinations made by the Index calculation agent and/or Index sponsor (as applicable), in accordance with the Index calculation methodology, shall be conclusive. The Index calculation agent and/or Index sponsor (as applicable) shall not have any liability for such determinations.

Credit risk and conflicts of interests of J.P. Morgan Securities plc: The return payable under the swaps entered into by the Sub-Fund with a counterparty is subject to the credit risk of the counterparty. In addition, the counterparty may act as the calculation agent under the swaps (the "**Calculation Agent**"). On the launch date, the only counterparty is J.P. Morgan Securities plc who is also the Index sponsor and the Calculation Agent **(**although any other counterparty who is licensed by the Index sponsor may also enter into swaps with the Sub-Fund to provide exposure to the Index**)**. When J.P. Morgan Securities plc is the counterparty, the Calculation Agent and Index Sponsor, Shareholders should note that not only will they be exposed to the credit risk of J.P. Morgan Securities plc as counterparty but also to potential conflicts of interest in the performance of the functions of counterparty, Calculation Agent and Index sponsor by J.P. Morgan Securities plc. As a result of its hedging activity, the counterparty can still profit from the product, even if the Sub-Fund does not generate positive returns. The Index sponsor is responsible for the composition, calculation and maintenance of the Index and will have no involvement in the offer and sale of the Sub-Fund in its capacity as sponsor of the Index and will have no obligation to any purchaser of Shares in such capacity. The Index sponsor may take any actions in respect of the Index without regard to the interests of the purchasers or holders of the Shares. The Index sponsor may license the Index, any of its sub-indices or strategies similar to the Index for use by other market participants, for publication in newspapers and periodicals, for distribution by information and data dissemination services and for various other purposes, any of which may contribute to an increased level of investment in the Index (or its underlying components) or similar strategies and which may therefore affect the level of the Index and the market value of the Shares.

Rebalancing adjustments: The level of the Index is adjusted to account for rebalancing adjustments, which reflect the replication costs applied algorithmically within by the Index for each rebalancing of the components and may not reflect the rebalancing costs that a dealer may face when entering into similar transactions. The rebalancing adjustments are applied in respect of the stocks referenced in the Index which are rebalanced monthly and equal 0.04% per stock. The resulting effect of the rebalancing adjustments is to act as a drag on the performance of the Index. The drag is greater in circumstances where the absolute change in exposure (i.e. a decrease or increase in exposure) of the Index to its constituent stocks is larger. Although an investor in the Sub-Fund may lose money on its investment due to the performance of the Index, any counterparty (or any of their affiliates) that delivers part or all of the Index in the form of swaps may generate a profit from the above rebalancing adjustments. For further details on the Index rebalancing adjustments, please refer to the Index questions and answers (Q&A) that can be found at www.jpmorganindices.com.

Termination of Index licence: Whilst the Company has the right to use and reference the Index in connection with the Sub-Fund in accordance with the terms of the Index licence, in the event that the licence is terminated the Sub-Fund may not be able to issue any new Shares to new or existing investors and the Sub-Fund may be terminated.

JPMS Affiliate investment or equivalent arrangements: At any time following its launch, the Sub-Fund may receive investment, which may be substantial, from J.P. Morgan Securities plc or one of its affiliates (a "**JPMS Affiliate**"). Alternatively, a JPMS Affiliate may make arrangements with third parties which incentivise those third parties to invest in the Sub-Fund. Investors should be aware that such a JPMS Affiliate or third party may (i) hedge any of its investments in whole or part, thereby reducing its exposure to the performance of the Sub-Fund; and (ii) redeem its investment in the Sub-Fund at any time, without notice to Shareholders. Such a JPMS Affiliate or third party is not under any obligation to take the interests of other Shareholders into account when making its investment decisions. As any large redemption from the Sub-Fund will have the indirect effect of increasing the proportion of those of the Sub-Fund's costs and expenses which are not based on the Net Asset Value of the Sub-Fund that the remaining Shareholders may have to bear. Shareholders should therefore note that any redemption of its investment by a JPMS Affiliate or third party may have a negative effect on the value of their investment in the Sub-Fund. Furthermore, in certain circumstances a redemption by a JPMS Affiliate or third party may i) lead the Directors to determine to compulsorily redeem all of the remaining Shares in a Class or the Sub-Fund in accordance with the "Termination of Sub-Funds or Classes of Shares" sub-section of the "General Information – Termination of the Company" section of the Prospectus (for example, if the Directors determine that the net assets in the Sub-Fund or Class of Shares have decreased to an amount determined by the Board of Directors from time to time to be the minimum level for the Sub-Fund or Class of Shares to be operated in an economically efficient manner), in which case Shareholders' investment would be redeemed in its entirety, or ii) cause other investors in the Sub-Fund to redeem their investment, and in either case Shareholders may incur a loss as a result. Shareholders should therefore note that any redemption of its investment by a JPMS Affiliate or third party may have a negative effect on the value of their investment in the Sub-Fund.

Foreign exchange rate: In order to calculate the Index level, the closing price of any constituent stock of the Index which is not denominated in Euro will be converted into Euro using the foreign exchange rate as set out in the Index rules. The returns of the Index may be adversely affected by daily variations in the foreign exchange rate of Euro against the currency in which the constituent stocks of the Index are denominated.

INDEX DISCLAIMER

J.P. Morgan

The J.P. Morgan Equity Risk Premia - Europe MULTI-FACTOR Long Only Index ("**JPMorgan Index**") has been licensed to Lyxor International Asset Management (the "**Licensee**") for the Licensee's benefit. Neither the Licensee nor Lyxor Index Fund - Lyxor J.P. Morgan Multi-factor Europe Index UCITS ETF (the "**Licensed Fund**") is sponsored, operated or endorsed by J.P. Morgan Securities plc ("**JPMS plc**") nor any of its affiliates (together and individually, "**JPMorgan**"). JPMorgan makes no representation or no warranty, express or implied, to investors in or owners of the Licensed Fund (or any person taking exposure to it) or any member of the public in any other circumstances (each an "**Investor**"): (a) regarding the advisability of investing in securities or other financial products generally or in the Licensed Fund particularly; or (b) the suitability or appropriateness of an exposure to the JPMorgan Index in seeking to achieve any particular objective. It is for those taking an exposure to the Licensed Fund and/or the JPMorgan Index to satisfy themselves of these matters and such persons should seek appropriate professional advice before making any investment. JPMorgan is not responsible for and does not have any obligation or liability in connection with the issuance, administration, marketing or trading of the Licensed Fund. The publication of the JPMorgan Index and the referencing of any asset or other factor of any kind in the JPMorgan Index does not constitute any form of investment recommendation or advice in respect of that asset or other factor by JPMorgan and no person should rely upon it as such. JPMorgan does not act as an investment adviser or investment manager in respect of the JPMorgan Index or the Licensed Fund and does not accept any fiduciary duties in relation to the JPMorgan Index, the Licensee or to any Investor.

The JPMorgan Index has been designed and is compiled, calculated, maintained and sponsored by JPMS plc without regard to the Licensee, the Licensed Fund or any Investor. The ability of the Licensee to make use of the JPMorgan Index may be terminated at short notice and it is the responsibility of the Licensee to provide for the consequences of that in the design of the Licensed Fund. JPMS plc does not accept any legal obligation to take the needs of any person who may invest in a Licensed Fund into account in designing, compiling, calculating, maintaining or sponsoring the JPMorgan Index or in any decision to cease doing so.

JPMorgan does not give any representation, warranty or undertaking, of any type (whether express or implied, statutory or otherwise) in relation to the JPMorgan Index, as to condition, satisfactory quality, performance or fitness for purpose or as to the results to be achieved by an investment in the Licensed Fund or any data included in or omissions from the JPMorgan Index, or the use of the JPMorgan Index in connection with the Licensed Fund or the veracity, currency, completeness or accuracy of the information on which the JPMorgan Index is based (and without limitation, JPMorgan accepts no liability to any Investor for any errors or omissions in that information or the results of any interruption to it and JPMorgan shall be under no obligation to advise any person of any such error, omission or interruption). To the extent any such representation, warranty or undertaking could be deemed to have been given by JPMorgan, it is excluded save to the extent that such exclusion is prohibited by law. To the fullest extent permitted by law, JPMorgan shall have no liability or responsibility to any person or entity (including, without limitation, any Investors) for any loss, damages, costs, charges, expenses or other liabilities howsoever arising, including, without limitation, liability for any special, punitive, indirect or consequential damages (including loss of business or loss of profit, loss of time and loss of goodwill), even if notified of the possibility of the same, arising in connection with the design, compilation, calculation, maintenance or sponsoring of the JPMorgan Index or in connection with the Licensed Fund.

The JPMorgan Index is the exclusive property of JPMS plc. JPMS plc is under no obligation to continue compiling, calculating, maintaining or sponsoring the JPMorgan Index and may delegate or transfer to a third party some or all of its functions in relation to the JPMorgan Index.

JPMorgan may independently issue or sponsor other indices or products that are similar to and may compete with the JPMorgan Index and the Licensed Fund. They may also transact in assets referenced in the JPMorgan Index (or in financial instruments such as derivatives that reference those assets). It is possible that these activities could have an effect (positive or negative) on the value of the JPMorgan Index and the Licensed Fund.

Each of the above paragraphs is severable. If the contents of any such paragraph is held to be or becomes invalid or unenforceable in any respect in any jurisdiction, it shall have no effect in that respect, but without prejudice to the remainder of this notice.

MSCI

The MSCI Europe Index was used by the Index sponsor as the reference universe for selection of the companies included in the J.P. Morgan Equity Risk Premia – Europe MULTI-FACTOR Long Only Index (the "JPMorgan Index"). MSCI does not in any way sponsor, support, promote or endorse the JPMorgan Index. MSCI was not and is not involved in any way in the creation, calculation, maintenance or review of the JPMorgan Index. The MSCI Europe Index was provided to the Index Sponsor on an "as is" basis. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating the MSCI Europe Index (collectively, the "MSCI Parties") expressly disclaim all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose). Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages in connection with the MSCI Europe Index or the JPMorgan Index.

Solactive

The Sub-Fund is not sponsored, promoted, sold or supported in any other manner by Solactive AG nor does Solactive AG offer any express or implicit guarantee or assurance either with regard to the results of using the Index and/or Index trade mark or the Index price at any time or in any other respect. The Index is calculated and published by Solactive AG. Solactive AG uses its best efforts to ensure that the Index is calculated correctly. Irrespective of its obligations towards the Sub-Fund, Solactive AG has no obligation to point out errors in the Index to third parties including but not limited to investors and/or financial intermediaries of the Sub-Fund. Neither publication of the Index by Solactive AG nor the licensing of the Index or Index trade mark for the purpose of use in connection with the Sub-Fund constitutes a recommendation by Solactive AG to invest capital in said Sub-Fund nor does it in any way represent an assurance or opinion of Solactive AG with regard to any investment in this Sub-Fund.

7 - Lyxor Index Fund – Lyxor J.P. Morgan Multi-factor World Index UCITS ETF

The Reference Currency of the Sub-Fund is the USD.

Investment Objective

The investment objective of the Lyxor Index Fund – Lyxor J.P. Morgan Multi-factor World Index UCITS ETF is to track both the upward and the downward evolution of the J.P. Morgan Equity Risk Premium – World Multi Factor Long Only (USD) Index (the "**Index**"), denominated in USD and representative of the performance of a weighted basket of 3 regional indices: the J.P. Morgan Equity Risk Premium Factor – Europe Multi-Factor Long Only Index (the "European Index"), the J.P. Morgan Equity Risk Premium Factor – North American Multi-Factor Long Only Index (the "North American Index") and J.P. Morgan Equity Risk Premium Factor – Asia Pacific Multi-Factor Long Only Index (the "Asia Pacific Index" and together, the "**Regional Indices**") with the weights of these Regional Indices being proportional to the free float market capitalization of the reference universe indices of the Regional Indices. Each Regional Index is representative of the performance of a basket of stocks made from stocks comprising five regional risk factor indices detailed below (value, low size, momentum, low beta and quality) (the "**RERPF Indices**") so that the Index will represent such five risk factors within the Regional Indices.

The anticipated Tracking Error ex-post in normal market conditions is expected to be 0.08%.

General description of the Index

The Index is a long-only rules based index which seeks to generate returns of a weighted basket of the Regional Indices with the weights of these Regional Indices being proportional to free float market capitalization of the reference universe indices of the Regional Indices.

The Regional Indices

Each Regional Index tracks the returns of all stocks which comprise each of the five RERPF Indices detailed below, using a weighting methodology such that the composition of each RERPF Index is equally weigthed within the Regional Index, as further described in the Index rules. Each Regional Index provides synthetic long exposure to the performance of such selected stocks.

The RERPF Indices

The RERPF Indices for the European Index is based on the MSCI Europe index universe (Bloomberg Code: MXEU Index) and are the following:

- J.P. Morgan Equity Risk Premia - Europe LOW BETA FACTOR Long Only Index (the "**Europe Beta Factor**"). The index is a long-only rule based index which seeks to generate returns by selecting stocks based on an equity risk premium factor which in this case is the beta factor, which represents the sensitivity of the returns of an eligible stock to the returns of its local equity market over a 1 year period immediately preceding a rebalancing selection date.
- J.P. Morgan Equity Risk Premia - Europe LOW SIZE FACTOR Long Only Index (the "**Europe Size Factor**").The index is a long-only rule based index which seeks to generate returns by selecting stocks based on an equity risk premium factor which in this case is the size factor, which represents the market capitalization of the stock immediately preceding a rebalancing selection date.
- J.P. Morgan Equity Risk Premia - Europe MOMENTUM FACTOR Long Only Index (the "**Europe Momentum Factor**"). The index is a long-only rule based index which seeks to generate returns by selecting stocks based on an equity risk premium factor which in this case is the momentum factor, which represents the total return of a stock in EUR over the 12 months immediately preceding a rebalancing selection date.
- J.P. Morgan Equity Risk Premia - Europe QUALITY FACTOR Long Only Index (the "**Europe Quality Factor**"). The index is a long-only rule based index which seeks to generate returns by selecting stocks based on the equity risk premium factor which in this case are the quality factors represented in this case by three metrics (the net profit margin, the equity debt ratio, the return on equity).
- J.P. Morgan Equity Risk Premia - Europe VALUE FACTOR Long Only Index (the "**Europe Value Factor**"). The index is a long-only rule based index which seeks to generate returns by selecting stocks based on the equity risk premium factor which in this case are the value factors represented in this case by three metrics (the earnings yield, the free cash flow yield, the book to price ratio).

The RERPF Indices for the North American Index is based on the MSCI North America index universe (Bloomberg Code: MXNA Index) and are the following:

- J.P. Morgan Equity Risk Premia – North America LOW BETA FACTOR Long Only Index (the "**NA Beta Factor**"). The index is a long-only rule based index which seeks to generate returns by selecting stocks based on an equity risk premium factor which in this case is the beta factor, which represents the sensitivity of the returns of an eligible stock to the returns of its local equity market over a 1 year period immediately preceding a rebalancing selection date.
- J.P. Morgan Equity Risk Premia – North America LOW SIZE FACTOR Long Only Index (the "**NA Size Factor**").The index is a long-only rule based index which seeks to generate returns by selecting stocks based on an equity risk premium factor which in this case is the size factor, which represents the market capitalization of the stock immediately preceding a rebalancing selection date.
- J.P. Morgan Equity Risk Premia - North America MOMENTUM FACTOR Long Only Index (the "**NA Momentum Factor**"). The index is a long-only rule based index which seeks to generate returns by selecting stocks based on an equity risk premium factor which in this case is the momentum factor, which represents the total return of a stock in USD over the 12 months immediately preceding a rebalancing selection date.
- J.P. Morgan Equity Risk Premia - North America QUALITY FACTOR Long Only Index (the "**NA Quality Factor**"). The index is a long-only rule based index which seeks to generate returns by selecting North American stocks based on the equity risk premium factor which in this case are the quality factors represented in this case by three metrics (the net profit margin, the equity debt ratio, the return on asset).
- J.P. Morgan Equity Risk Premia - North America VALUE FACTOR Long Only Index (the "**NA Value Factor**"). The index is a long-only rule based index which seeks to generate returns by selecting stocks based on the equity risk premium factor which in this case are the value factors represented in this case by three metrics (the earnings yield, the free cash flow yield, the book to price ratio).

The RERPF Indices for the Asian Pacific Index is based on the MSCI Pacific index universe (Bloomberg Code: MXPC Index) and are the following:

- J.P. Morgan Equity Risk Premia – Asia Pacific LOW BETA FACTOR Long Only Index (the "**Asia Beta Factor**"). The index is a long-only rule based index which seeks to generate returns by selecting stocks based on an equity risk premium factor which in this case is the beta factor, which represents the sensitivity of the returns of an eligible stock to the returns of its local equity market over a 1 year period immediately preceding a rebalancing selection date.
- J.P. Morgan Equity Risk Premia – Asia Pacific LOW SIZE FACTOR Long Only Index (the "**Asia Size Factor**").The index is a long-only rule based index which seeks to generate returns by selecting stocks based on an equity risk premium factor which in this case is the size factor, which represents the market capitalization of the stock immediately preceding a rebalancing selection date.
- J.P. Morgan Equity Risk Premia - Asia Pacific MOMENTUM FACTOR Long Only Index (the "**Asia Momentum Factor**"). The index is a long-only rule based index which seeks to generate returns by selecting stocks based on an equity risk premium factor which in this case is the momentum factor, which represents the total return of a stock in USD over the 12 months immediately preceding a rebalancing selection date.
- J.P. Morgan Equity Risk Premia - Asia Pacific QUALITY FACTOR Long Only Index (the "**Asia Quality Factor**"). The index is a long-only rule based index which seeks to generate returns by selecting stocks based on the equity risk premium factor which in this case are the quality factors represented in this case by three metrics (the net profit margin, the equity debt ratio, the return on equity).
- J.P. Morgan Equity Risk Premia - Asia Pacific VALUE FACTOR Long Only Index (the "**Asia Value Factor**"). The index is a long-only rule based index which seeks to generate returns by selecting stocks based on the equity risk premium factor which in this case are the value factors represented in this case by three metrics (the earnings yield, the free cash flow yield, the book to price ratio).

Each RERPF Index for the European Index and the Asian Pacific Index is comprised of 40 stocks whereas each RERPF Index for the North American Index is comprised of 80 stocks.

The complete methodology of these RERPF Indices is available on jpmorganindices.com

The performance of each stock selected by the Regional Indices is with dividends reinvested net of any applicable withholding tax.

Publication of the Index

The Index level is calculated and published daily by Solactive AG. The Index level is available via the following website: jpmorganindices.com.

The Sub-Fund tracks the Index based on the closing levels of the Index.

The complete methodology of the Index and the Questions and Answers document (Q&A) is available on jpmorganindices.com

Index composition and revision

The Index will be rebalanced on a quarterly basis, subject to the provisions set out in the Index rules.

J.P. Morgan Securities plc is responsible for the maintenance of the Index. A full description and the complete methodology for the construction of the Index and information on the composition, respective weightings and applicable fees (including, the potential amount of the rebalancing adjustments that may be deducted from the performance of the Index) for the Index and Questions and Answers document (Q&A) are available on www.jpmorganindices.com. Before making any investment decision, investors should ensure that they have read and understood the full description of the Index which is available on that website.

There are rebalancing adjustments associated with replicating the entry into and the exit from each stock position referenced by each Regional Index. A rebalancing adjustment is applied to the absolute change in the exposure (i.e. the changes generated by the Regional Index either increasing or decreasing exposure to stocks) and is deducted from the Regional Index performance on each rebalancing date. The rebalancing adjustment is 0.04% for the stocks in the European Index and the North American Index. It is a variable amount for stocks in the Asia Pacific Index and is determined on the basis of the stock's country of incorporation in accordance to the following:

Country of incorporation	Rebalancing factor
Japan	0.02%
Australia	0.01%
Singapore	0.08%
New Zealand	0.04%
Hong Kong	0.22%

Rebalancing operations carried out within the frequency stated above could have an impact on the performance of the Index and in terms of costs paid or incurred by the Sub-Fund and could consequently affect the performance of the Sub-Fund.

Investment Policy

The Sub-Fund will carry out its investment objective via an Indirect Replication as described in the present Prospectus.

The limits laid down in APPENDIX A – "INVESTMENT RESTRICTIONS" of the Prospectus are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body. This 20% cap will be monitored on each Index rebalancing date, based on the Index's calculation method, which limits exposure to equities of the same issuer to 20% and which is calculated by the Index sponsor or calculation agent. This 20% cap may be raised to 35% for a single issuer when justified by exceptional market conditions, for example when some securities are predominant and/or in the event of strong volatility of a financial instrument or securities linked to an economic sector represented in the Index. This could be the case if, for example, a takeover bid affects one of the securities in the Index or in the event of a significant restriction on liquidity affecting one or more financial instruments in the Index.

For the avoidance of doubt, any collateral received by the Sub-Fund is posted outright on the account of the Sub-Fund open in the Depositary's books. As such, collateral received will be recorded on the Sub-Fund assets. In case of counterparty default, the Sub-Fund can dispose of the assets received from the defaulting counterparty in order to extinguish the debt of this counterparty vis-a-vis the Sub-Fund under the guaranteed transaction.

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with Appendix B of this Prospectus.

Classes of Shares

The Sub-Fund issues the following Classes of Shares: D-USD, C-USD (see chapter IV. *INVESTING IN THE COMPANY ON THE PRIMARY MARKET A. THE SHARES*).

Investors' attention is drawn to the fact that this Sub-Fund is an UCITS ETF listed on several stock exchanges. For further information on the Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics.

Notwithstanding the arrangements of chapter VII. DISTRIBUTION POLICY, dividends will be distributed for the D-USD Shares on quarterly or yearly basis as may be decided from time to time by the Board of Directors.

The C-USD Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the C-USD Shares will be offered at the initial price of USD 100. Subsequent subscriptions will be dealt with at the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the C-USD Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency.The minimum subsequent subscription is of one (1) Share.

The D-USD Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the D-USD Shares will be offered at the initial price of USD 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the D-USD Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

Risk Management

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

Market Maker for this Sub-Fund

For this Sub-Fund, the main market maker is J.P. Morgan Securities plc.

For the avoidance of doubt, other market makers could be appointed from time to time by the Company in respect of one or several stock exchange on which certain Shares Classes are listed.

Sub-Custodian of this Sub-Fund as set out in Part I of the Prospectus

Bank of New York Mellon

IMPORTANT INFORMATION

Certain risks relating to the Shares are set out in Appendix C entitled *Special Risk Considerations and Risk Factors*. In addition, Shareholders must also note the following risk considerations.

Risks relating to the Index

The Index and its objective: The Index may not be successful in achieving its stated objective of seeking to generate returns by replicating the performance of a weighted basket of the Regional Indices on the basis of the methodology set out in the Index rules. No assurance can be given that each or any of the Regional Indices will achieve their investment objectives or generate a positive return.

Rules for determining the Regional Indices may change: The Index provides exposure to a weighted basket of the Regional Indices. The methodology for determining (i) the Regional Indices which will form part of the basket (ii) and certain other parameters set out in the Index rules for the selection of the Regional Indices, may be amended by the Index sponsor in certain circumstances as set out in the Index rules. Any such changes may have a detrimental effect on the level of the Index and the determination methodology of the Regional Indices.

Risks relating to the Regional Indices:

The Regional Indices and their objectives: Each Regional Index may not be successful in achieving its stated objective of seeking to generate returns by selecting stocks on the basis of the methodology set out in the Index rules. In order to achieve its stated objective, each Regional Index follows a proprietary strategy of selecting stocks on each rebalancing date based on the stocks selected by the relevant RERPF Indices on each rebalancing selection date. Each Regional Index is ultimately exposed to a basket of stocks and no assurance can be given that such stocks selected will generate positive return.

Reduced diversification of the Regional Indices compared to their respective reference universe indices: Each Regional Index embeds a dynamic allocation that limits the exposure of such Regional Index to the performance of the

stocks comprised within the relevant RERPF Indices, being a sub-set of the stocks of its respective reference universe index. This results in each Regional Index being more concentrated than its respective reference universe index . Accordingly, the performance of each Regional Index may be lower and/or more volatile than that which would be achieved if there was a full allocation or exposure to stocks comprising the reference universe index of such Regional Index. For instance but not limited to this example, each Regional Index is likely to underperform its respective reference universe index in a bearish (i.e. where the price of securities which comprise the reference universe index are generally falling) and volatile scenario, when negative returns of such Regional Index may become strongly correlated and the lesser diversification in comparison with its respective reference universe index may make such Regional Index underperform its respective reference universe index.

The occurrence of a data source disruption event of a constituent RERPF Index may affect the selection and rebalancing of each Regional Index: Upon the occurrence of a data source disruption event with respect to an RERPF Index (as further described in the rules of the RERPF Indices), the composition of the relevant RERPF Index will not be rebalanced in respect of its scheduled rebalancing date. Consequently, the portion of the Regional Index composition that is linked to the affected RERPF Index will not be rebalanced and will remain unchanged from the previous rebalancing date. This may result in the composition of the Index being "stale" i.e. not reflecting the stocks with the most up-to-date factor exposures.

Rules for determining the eligible stocks may change: Each Regional Index provides exposure to the stocks within its respective RERPF Indices. The methodology for determining (i) the selection of the stocks which will form part of the Regional Indices and (ii) and certain other parameters set out in the Index rules for the selection of the stocks, may be amended by the Index sponsor in certain circumstances as set out in the Index rules. Any such changes may have a detrimental effect on the level of the Regional Indices and the determination methodology of the stocks.

Lack of reactivity to changing circumstances: Each Regional Index rebalances on a monthly basis on each rebalancing date and tracks the stocks within the relevant RERPF Indices which are selected on the rebalancing selection date and in accordance with the Index rules. In the event that circumstances change between rebalancing dates which adversely affect the performance of the stocks of a Regional Index, the constituents of such Regional Index will not change until the next rebalancing date. As a result, the Regional Index may not react to changing circumstances as quickly as an actively managed strategy and may be adversely affected relative to an actively managed strategy.

Valuation of dividends where the dividend amount is not announced on the ex-dividend date with respect to the Asia Pacific Index: With respect to the Asia Pacific Index, where an ex-dividend date in relation to a relevant stock occurs but the amount of such dividend is not announced by the issuer of such stock on such ex-dividend date, during the period from such ex-dividend date to the date such dividend amount is announced by the issuer of such stock, for the purposes of determining the value of the Index, such dividend amount shall be deemed to be equal to the estimated net dividend amount announced by the issuer of such stock, or the dividend amount of the previous dividend at the same period of the year in the event that no estimated net dividend amount is announced by the issuer of such stock, in accordance with and subject to the rules of the Asia Pacific Index.

General risks relating to the Index and Regional Indices

Index Performance: All investors in the Sub-Fund should be aware that the value of their Shares will depend on the performance of the Index.

The Shares should therefore only be considered suitable for investors if they:

(iv) have read and understood the manner in which the swap will function so that they fully understand how their Shares will perform as a result of the performance of the Index, which is delivered by way of swap from a counterparty;
(v) have read and understood the Prospectus and KIID of the Sub-Fund as well as the information available on the Index, including the Index Rules and the questions and answers (Q&A) document in respect of the Index and available on www.jpmorganindices.com; and
(vi) believe that the Index will generate a positive performance over the life of their investment because a fall in the Index value will lead to them receiving less than their initial investment upon selling their Shares.

The historical performance of the Index is not an indication of its future performance: It is not possible to predict whether the level of the Index will rise or fall. The actual performance of the Index may bear little relation to the historical levels of the Index.

Performance and/or Correlation of the Index: There is no assurance as to how the Index will perform in either absolute terms or in relative terms. Specifically, there can be no assurance as to how the Index will perform in relation to the performance of equities or any other asset class.

The Index has limited historical information and may perform in unanticipated ways: The Index has only recently been established as a tradable strategy and therefore has no data on which to evaluate its long-term historical performance. Any back-testing or similar analysis on the Index is illustrative only and may be based on estimates or assumptions not used in determining actual levels of the Index. The historical performance of the Index before its live date available on Bloomberg or from any other information vendors may show hypothetical performance based on backtesting and/or scenario analysis. This does not represent the performance of an actual investment and is derived by applying the methodology (using certain assumptions) on a retroactive basis. Hypothetical performance results have many inherent limitations and there may frequently be sharp differences between hypothetical performance results and the actual results subsequently achieved. Because the Index is of recent origin and limited historical performance data exists with respect to it, your investment in the Sub-Fund may involve greater risk than investing in investments linked to one or more indices with an established record of performance.

Volatility: The levels of the stocks underlying the Index can be volatile and move dramatically over short periods of time. There can be no assurance that the relevant exposures will not be subject to substantial negative returns. Positive returns on the Index may therefore be reduced or eliminated entirely.

Determinations of Index calculation agent and Index sponsor: The Index is an algorithmic and rule-based index. As detailed in the Index calculation methodology, the Index calculation agent and/or Index sponsor (as applicable) may make certain determinations in the event of certain market disruption or extraordinary events in respect of the Index or a component stock and if so, the nature of the relevant consequences. Determinations made by the Index calculation agent and/or Index sponsor (as applicable) could adversely affect the value or performance of the Index or any product linked to the Index and the determinations made by the Index calculation agent and/or Index sponsor (as applicable) could present it with a conflict of interest. In making those determinations, the Index calculation agent and/or Index sponsor (as applicable) will act in good faith and a commercially reasonable manner and may use reasonable discretion. The Index calculation agent and/or Index sponsor (as applicable) will not be required to, and will not, take the interests of any investor of any such product into account or consider the effect its determinations will have on the value of such a product. All determinations made by the Index calculation agent and/or Index sponsor (as applicable), in accordance with the Index calculation methodology, shall be conclusive. The Index calculation agent and/or Index sponsor (as applicable) shall not have any liability for such determinations.

Credit risk and conflicts of interests of J.P. Morgan Securities plc: The return payable under the swaps entered into by the Sub-Fund with a counterparty is subject to the credit risk of the counterparty. In addition, the counterparty may act as the calculation agent under the swaps (the "**Calculation Agent**"). On the launch date, the only counterparty is J.P. Morgan Securities plc who is also the Index sponsor and the Calculation Agent **(**although any other counterparty who is licensed by the Index sponsor may also enter into swaps with the Sub-Fund to provide exposure to the Index**)**. When J.P. Morgan Securities plc is the counterparty, the Calculation Agent and Index Sponsor, Shareholders should note that not only will they be exposed to the credit risk of J.P. Morgan Securities plc as counterparty but also to potential conflicts of interest in the performance of the functions of counterparty, Calculation Agent and Index sponsor by J.P. Morgan Securities plc. As a result of its hedging activity, the counterparty can still profit from the product, even if the Sub-Fund does not generate positive returns. The Index sponsor is responsible for the composition, calculation and maintenance of the Index and will have no involvement in the offer and sale of the Sub-Fund in its capacity as sponsor of the Index and will have no obligation to any purchaser of Shares in such capacity. The Index sponsor may take any actions in respect of the Index without regard to the interests of the purchasers or holders of the Shares. The Index sponsor may license the Index, any of its sub-indices or strategies similar to the Index for use by other market participants, for publication in newspapers and periodicals, for distribution by information and data dissemination services and for various other purposes, any of which may contribute to an increased level of investment in the Index (or its underlying components) or similar strategies and which may therefore affect the level of the Index and the market value of the Shares.

Rebalancing adjustments: The level of the Regional Indices is adjusted to account for rebalancing adjustments, which reflect the replication costs applied algorithmically within by the Regional Indices for each rebalancing of the components and may not reflect the rebalancing costs that a dealer may face when entering into similar transactions. The rebalancing adjustments as described the selection “Index composition and revision” above are applied in respect of the stocks referenced in the Regional Indices The resulting effect of the rebalancing adjustments is to act as a direct drag on the performance of the Regional Indices, and an indirect drag on the performance of the Index. The drag is greater in

circumstances where the absolute change in exposure (i.e. a decrease or increase in exposure) of the Regional Indices to their constituent stocks is larger. Although an investor in the Sub-Fund may lose money on its investment due to the performance of the Index, any counterparty (or any of their affiliates) that delivers part or all of the Index in the form of swaps may generate a profit from the above rebalancing adjustments. For further details on the Index rebalancing adjustments, please refer to the Index questions and answers (Q&A) that can be found at www.jpmorganindices.com.

Termination of Index licence: Whilst the Company has the right to use and reference the Index in connection with the Sub-Fund in accordance with the terms of the Index licence, in the event that the licence is terminated the Sub-Fund may not be able to issue any new Shares to new or existing investors and the Sub-Fund may be terminated.

JPMS Affiliate investment or equivalent arrangements: At any time following its launch, the Sub-Fund may receive investment, which may be substantial, from J.P. Morgan Securities plc or one of its affiliates (a "**JPMS Affiliate**"). Alternatively, a JPMS Affiliate may make arrangements with third parties which incentivise those third parties to invest in the Sub-Fund. Investors should be aware that such a JPMS Affiliate or third party may (i) hedge any of its investments in whole or part, thereby reducing its exposure to the performance of the Sub-Fund; and (ii) redeem its investment in the Sub-Fund at any time, without notice to Shareholders. Such a JPMS Affiliate or third party is not under any obligation to take the interests of other Shareholders into account when making its investment decisions. As any large redemption from the Sub-Fund will have the indirect effect of increasing the proportion of those of the Sub-Fund's costs and expenses which are not based on the Net Asset Value of the Sub-Fund that the remaining Shareholders may have to bear. Shareholders should therefore note that any redemption of its investment by a JPMS Affiliate or third party may have a negative effect on the value of their investment in the Sub-Fund. Furthermore, in certain circumstances a redemption by a JPMS Affiliate or third party may i) lead the Directors to determine to compulsorily redeem all of the remaining Shares in a Class or the Sub-Fund in accordance with the "Termination of Sub-Funds or Classes of Shares" sub-section of the "General Information – Termination of the Company" section of the Prospectus (for example, if the Directors determine that the net assets in the Sub-Fund or Class of Shares have decreased to an amount determined by the Board of Directors from time to time to be the minimum level for the Sub-Fund or Class of Shares to be operated in an economically efficient manner), in which case Shareholders' investment would be redeemed in its entirety, or ii) cause other investors in the Sub-Fund to redeem their investment, and in either case Shareholders may incur a loss as a result. Shareholders should therefore note that any redemption of its investment by a JPMS Affiliate or third party may have a negative effect on the value of their investment in the Sub-Fund.

Foreign exchange rate: In order to calculate the Index level, the closing price of the Regional Indices which are not denominated in USD will be converted into USD using the foreign exchange rate as set out in the Index rules. The returns of the Index may be adversely affected by daily variations in the foreign exchange rate of USD against the currency in which the constituent stocks of the Index are denominated.

INDEX DISCLAIMER

J.P. Morgan

The J.P. Morgan Equity Risk Premia - Global MULTI-FACTOR Long Only Index ("**JPMorgan Index**") has been licensed to Lyxor International Asset Management (the "**Licensee**") for the Licensee's benefit. Neither the Licensee nor Lyxor Index Fund - Lyxor J.P. Morgan Multi-factor World Index UCITS ETF (the "**Licensed Fund**") is sponsored, operated or endorsed by J.P. Morgan Securities plc ("**JPMS plc**") nor any of its affiliates (together and individually, "**JPMorgan**"). JPMorgan makes no representation or no warranty, express or implied, to investors in or owners of the Licensed Fund (or any person taking exposure to it) or any member of the public in any other circumstances (each an "**Investor**"): (a) regarding the advisability of investing in securities or other financial products generally or in the Licensed Fund particularly; or (b) the suitability or appropriateness of an exposure to the JPMorgan Index in seeking to achieve any particular objective. It is for those taking an exposure to the Licensed Fund and/or the JPMorgan Index to satisfy themselves of these matters and such persons should seek appropriate professional advice before making any investment. JPMorgan is not responsible for and does not have any obligation or liability in connection with the issuance, administration, marketing or trading of the Licensed Fund. The publication of the JPMorgan Index and the referencing of any asset or other factor of any kind in the JPMorgan Index does not constitute any form of investment recommendation or advice in respect of that asset or other factor by JPMorgan and no person should rely upon it as such. JPMorgan does not act as an investment adviser or investment manager in respect of the JPMorgan Index or the Licensed Fund and does not accept any fiduciary duties in relation to the JPMorgan Index, the Licensee or to any Investor.

The JPMorgan Index has been designed and is compiled, calculated, maintained and sponsored by JPMS plc without regard to the Licensee, the Licensed Fund or any Investor. The ability of the Licensee to make use of the JPMorgan

Index may be terminated at short notice and it is the responsibility of the Licensee to provide for the consequences of that in the design of the Licensed Fund. JPMS plc does not accept any legal obligation to take the needs of any person who may invest in a Licensed Fund into account in designing, compiling, calculating, maintaining or sponsoring the JPMorgan Index or in any decision to cease doing so.

JPMorgan does not give any representation, warranty or undertaking, of any type (whether express or implied, statutory or otherwise) in relation to the JPMorgan Index, as to condition, satisfactory quality, performance or fitness for purpose or as to the results to be achieved by an investment in the Licensed Fund or any data included in or omissions from the JPMorgan Index, or the use of the JPMorgan Index in connection with the Licensed Fund or the veracity, currency, completeness or accuracy of the information on which the JPMorgan Index is based (and without limitation, JPMorgan accepts no liability to any Investor for any errors or omissions in that information or the results of any interruption to it and JPMorgan shall be under no obligation to advise any person of any such error, omission or interruption). To the extent any such representation, warranty or undertaking could be deemed to have been given by JPMorgan, it is excluded save to the extent that such exclusion is prohibited by law. To the fullest extent permitted by law, JPMorgan shall have no liability or responsibility to any person or entity (including, without limitation, any Investors) for any loss, damages, costs, charges, expenses or other liabilities howsoever arising, including, without limitation, liability for any special, punitive, indirect or consequential damages (including loss of business or loss of profit, loss of time and loss of goodwill), even if notified of the possibility of the same, arising in connection with the design, compilation, calculation, maintenance or sponsoring of the JPMorgan Index or in connection with the Licensed Fund.

The JPMorgan Index is the exclusive property of JPMS plc. JPMS plc is under no obligation to continue compiling, calculating, maintaining or sponsoring the JPMorgan Index and may delegate or transfer to a third party some or all of its functions in relation to the JPMorgan Index.

JPMorgan may independently issue or sponsor other indices or products that are similar to and may compete with the JPMorgan Index and the Licensed Fund. They may also transact in assets referenced in the JPMorgan Index (or in financial instruments such as derivatives that reference those assets). It is possible that these activities could have an effect (positive or negative) on the value of the JPMorgan Index and the Licensed Fund.

Each of the above paragraphs is severable. If the contents of any such paragraph is held to be or becomes invalid or unenforceable in any respect in any jurisdiction, it shall have no effect in that respect, but without prejudice to the remainder of this notice.

MSCI

The MSCI North America, MSCI Europe and MSCI Pacific Indices (the “MSCI Indices”) were used by the Index Sponsor as the reference for the relative weighting of constituents included in the J.P. Morgan Equity Risk Premium – World Multi-Factor Long Only Index (the “JPMorgan Index”). MSCI does not in any way sponsor, support, promote or endorse the JPMorgan Index. MSCI was not and is not involved in any way in the creation, calculation, maintenance or review of the JPMorgan Index. The MSCI Indices were provided to the Index Sponsor on an “as is” basis. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating the MSCI Indices (collectively, the “MSCI Parties”) expressly disclaim all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose). Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages in connection with the MSCI Indices or the JPMorgan Index.

Solactive

The Sub-Fund is not sponsored, promoted, sold or supported in any other manner by Solactive AG nor does Solactive AG offer any express or implicit guarantee or assurance either with regard to the results of using the Index and/or Index trade mark or the Index price at any time or in any other respect. The Index is calculated and published by Solactive AG. Solactive AG uses its best efforts to ensure that the Index is calculated correctly. Irrespective of its obligations towards the Sub-Fund, Solactive AG has no obligation to point out errors in the Index to third parties including but not limited to investors and/or financial intermediaries of the Sub-Fund. Neither publication of the Index by Solactive AG nor the licensing of the Index or Index trade mark for the purpose of use in connection with the Sub-Fund constitutes a recommendation by Solactive AG to invest capital in said Sub-Fund nor does it in any way represent an assurance or opinion of Solactive AG with regard to any investment in this Sub-Fund.

8 - Lyxor Index Fund – Lyxor SG Global Value Beta UCITS ETF

The Reference Currency of the Sub-Fund is the EUR.

Investment Objective

The investment objective of the : Lyxor SG Global Value Beta UCITS ETF is to track both the upward and the downward evolution of the "SG Global Value Beta Net Total Return Index" (the "**Index**") (Bloomberg Code: SGVBNTR), denominated in EUR and representative of the performance of a global basket of the 200 cheapest undervalued stocks listed on global developed markets, based upon fundamental relative sector valuation.

The anticipated Tracking Error ex-post in normal market conditions is set out at 0.08%

The Index

The Index provides an unlevered exposure to the 200 cheapest undervalued stocks listed on global developed markets, based upon fundamental relative sector valuation. The Index is denominated in EUR.

The Index aims to track the performance of listed undervalued shares, selected on the basis of the 5 fundamental metrics:

- Book to Price Factor;
- Earnings to Price Factor;
- One Year forward Earnings to Price Factor;
- EBITDA to Enterprise Value;
- Free Cash Flow to Price Factor.

Added to the fundamental metrics screening, the selection is based upon market capitalisation and average daily volume criteria:

- free float market capitalisation criteria must be higher than USD 1 billion for each now component, and higher than USD 750 million for each share which already belong to the Index;
- each share must have 6-month average daily volume higher than USD 3 million.

The Index is equally weighted.

The Index is a net total return index. A net total return index calculates the performance of the Index constituents on the basis that any dividends or distributions are included in the Index returns.

Publication of the Index

The Index is available in real time via Reuters and Bloomberg.
Via Reuters: SGVBNTR
Via Bloomberg: SGVBNTR

The monitored performance is based on the closing prices of the Index.

The complete methodology is available at www.sgindex.fr

Index composition and revision

The composition of this Index is revised quarterly.

A full description and the complete methodology for the construction of the Index and information on the composition and respective weightings of the Index is available on the website: www.sgindex.fr

The rebalancing frequency as described above will have no impact in terms of costs in the context of the performance of the investment objective.

Investment Policy

The Sub-Fund will carry out its investment objective via an Indirect Replication as described in the present Prospectus.

The limits laid down in APPENDIX A – "INVESTMENT RESTRICTIONS" of the Prospectus are raised to a maximum of 20% for investments in shares and/or bonds issued by the same issuer. This 20% cap may be raised to 35% for a single issuer when justified by exceptional market conditions, for example when some securities are predominant and/or in the event of strong volatility on a financial instrument or securities linked to an economic sector represented in the Index, for example in the event of a takeover bid affecting one of the securities in the Index or in the event of a significant restriction on liquidity affecting one or more financial instruments in the Index.

Classes of Shares

This Sub-Fund issues the following Classes of Shares: D-EUR, D-USD, D-GBP, D-CHF, C-EUR, C-USD, C-GBP, C-CHF, Monthly Hedged D-EUR, Monthly Hedged D-USD, Monthly Hedged D-GBP, Monthly Hedged D-CHF, Monthly Hedged C-EUR, Monthly Hedged C-USD, Monthly Hedged C-GBP, Monthly Hedged C-CHF Shares (See hereafter chapter IV *INVESTING IN THE COMPANY A. THE SHARES).*

Investors' attention is drawn to the fact that this Sub-Fund issues UCITS ETF Classes of Shares listed on several stock exchanges. For further information on the UCITS ETF Classes of Shares or other Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics.

Notwithstanding the arrangements of chapter VII. DISTRIBUTION POLICY, dividends will be distributed for the D and Monthly Hedged D Shares on quarterly or yearly basis as may be decided from time to time by the Board of Directors.

The C Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the C Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the C Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

The D Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the D Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the D Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged D Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged D Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the reference Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged D Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

Principal risks

Among the different risks described in *Appendix C – Special Risks Considerations and Risk Factors*, the Sub-Fund is more specifically exposed to the following risks: Equity Risk, Capital at Risk, Counterparty Risk, Risk of using financial derivative instruments, Currency Risk, Liquidity Risk on Secondary Market, Sub-Fund Liquidity Risk, Risk that the Sub-Fund's investment objective is only partially achieved.

Risk Management

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

INDEX DISCLAIMER

LYXOR SG Global Beta Value UCITS ETF does not benefit in any manner whatsoever from the sponsorship, support or promotion and is not sold by Societe Generale (the "Sponsor").

The Sponsor makes no warranty, whether express or implied, relating to (i) the merchantability or fitness for a particular purpose of the Index, and (ii) the results of the use of the Index or any data included therein. The Sponsor shall have no liability for any losses, damages, costs or expenses (including loss of profits) arising, directly or indirectly, from the use of the Index or any data included therein. The levels of the Index do not represent a valuation or a price for any product referencing such Index.

The Sponsor gives no assurance regarding any modification or change in any methodology used in calculating the Index and is under no obligation to continue the calculation, publication and dissemination of the Index.

LYXOR SG Global Beta Value UCITS ETF is not in any way sponsored, endorsed or promoted by Solactive. Solactive does not make any warranty or representation whatsoever, express or implied, either as to the results to be obtained as to the use of the Index or the figure as which the Index stands at any particular day or otherwise. The Index is the sole and exclusive property of the Sponsor.

C – EMERGING MARKET STRATEGY SUB-FUND

1 - Lyxor Index Fund – Lyxor Emerging Markets Local Currency Bond (DR)

The Reference Currency is USD.

Investment Objective

The objective of the Sub-Fund is to seek revenue and capital growth by tracking the performance of local currency bonds issued by emerging market governments. Due to the specific risks linked to emerging markets, the Sub-Fund will also have as objective to maintain an adequate investment structure according to liquidity criteria. The Sub-Fund is benchmarked with the JP Morgan GBI EM Global Diversified Index.

The Sub-Fund is actively managed by investing in a diversified portfolio of bonds and/or currency instruments of emerging countries, within a strict risk and liquidity control environment.

This active management may lead to a discrepancy between the Sub-Fund's exposure and the JP Morgan GBI EM Global Diversified Index' exposure, and therefore, may lead to a performance which is uncorrelated to the benchmark.

Index used as a benchmark

The GBI-EM Global Diversified Index is a government bond index created to provide investors with a benchmark that tracks local currency bonds issued by emerging markets governments. This index consists of regularly traded, fix-rate, domestic currency governments bonds which international investors can readily access. As of September 2010, the GBI-EM Global Diversified Index consists of more than 150 bonds in 14 countries.

The GBI-EM Global Diversified Index uses a traditional market-capitalization approach to determine an initial weight of each country's allocation and then applies a specific calculation methodology in order to limit the weight of countries with larger debt stocks and redistribute those weights to countries with smaller weight.

JP Morgan GBI-EM Global Diversified Index Disclaimer:

The JP Morgan GBI-EM Global Diversified Index and the Lyxor Emerging Markets Local Currency Bond (DR) are provided "as is" with any and all faults. J.P. MORGAN does not guarantee the availability, sequence, timeliness, quality, accuracy and/or the completeness of the JP Morgan GBI-EM Global Diversified Index and/or the Lyxor Emerging Markets Local Currency Bond (DR) and/or any data included therein, or otherwise obtained by Lyxor International Asset Management S.A.S., owners of the Lyxor Emerging Markets Local Currency Bond (DR), or by any other person or entity, from any use of the JP Morgan GBI-EM Global Diversified Index and/or Lyxor Emerging Markets Local Currency Bond (DR). J.P. Morgan makes no express or implied warranties, and hereby expressly disclaims all warranties of merchantability of fitness for a particular purpose or use with respect to the JP Morgan GBI-EM Global Diversified Index or any data included therein, or otherwise obtained by Lyxor International Asset Management S.A.S., owners of the Lyxor Emerging Markets Local Currency Bond (DR), or by any other person or entity, from any use of the JP Morgan GBI-EM Global Diversified Index and/or the Lyxor Emerging Markets Local Currency Bond (DR).There are no representations or warranties which extend beyond the description on the face of this document, if any. All warranties and representations of any kind with regard to the JP Morgan GBI-EM Global Diversified Index and/or Lyxor Emerging Markets Local Currency Bond (DR), are disclaimed including any implied warranties of merchantability, quality, accuracy, fitness for a particular purpose and/or against infringement and/or warranties as to any results and/or warranties as to any results to be obtained by and/or from the use of the JP Morgan GBI-EM Global Diversified Index and/or the Lyxor Emerging Markets Local Currency Bond (DR).Without limiting any of the foregoing, in no event shall J.P.Morgan have any liability for any special, punitive, direct, indirect or consequential damages, including loss of principal and/or lost of profits, even if notified of the possibility of such damages.

Investment policy

In order to achieve its investment objective, the management strategies that will be implemented may consist, depending on the opportunities of the markets in:

1. investing in bonds comprised in the benchmark's universe or in a representative selection of local currency bonds issued by emerging market governments. The selection is built under liquidity, duration, convexity, maturity tranches and country constraints;
2. investing in the derivative markets (such as index or bond futures, currency forwards or swaps, performance swaps, etc.).

The Management Company may combine the 2 strategies in order to achieve its objective. In addition to that, the Management Company will monitor a set of liquidity indicators that may lead to a discrepancy with the exposure of the

benchmark, thus leading its performance to drift potentially significantly from the JP Morgan GBI EM Global Diversified Index performance.

Within the frame of the above described strategies, the assets not invested in bonds comprising the universe of the JP Morgan GBI EM Global Diversified Index may be invested in Money markets instruments or bonds (including global depositary notes) or in UCITS including Exchange Traded Funds, within the limits set forth under the Sub-Fund investment general restrictions.

For the purpose of the investments of this specific Sub-Fund, the risk diversification rule indicated in sub-paragraphs A.3.a and A.3.b of "Appendix 1 - Investment Restrictions" of the present prospectus will not apply to the issuers composing the index (at the date of the present prospectus: Indonesia, Thailand, Malaysia, Poland, Hungary, Russia, Turkey, Brazil, Mexico, Chile, South Africa, Colombia, Peru, Philippines or Egypt). In accordance with article 44 of the 2010 Law, the Sub-Fund may invest up to 20% of its net assets on securities or Money market instruments issued by any single issuer composing the index. This limit of 20% may be raised to 35% for one single issuer and such securities and Money market instruments need not be included in the calculation of the limit of 40% stated in sub-paragraph A.3.b of “Appendix 1 – Investment Restrictions” of the present prospectus.

Principal risks

Among the different risks described in “Appendix C – Special Risks Considerations and Risk Factors”, the Sub-Fund is more specifically exposed to the following risks: market risk, interest rate risk, credit risk, currency risk, derivative instruments risk, removal of indexes risk and emerging markets risks.

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach

Investors in the Sub-Fund are strongly advised to consider carefully the special risks associated with investing in emerging or developing markets, which are greater than the usual risks of investing in foreign currencies (dependency upon international trade, brokerage commissions and custodial services costs, emergency situations, etc.). Because of these special risks, an investment in the Sub-Fund should be considered speculative and is therefore reserved to Institutional Investors.

Investors should also be aware that in order to be consistent with its investment objective, the Sub-Fund will generally not engage in currency hedging.

Classes I and S Shares of this Sub-Fund are dedicated to Institutional Investors within the meaning of article 174 (2) c) of the 2010 Law. Class R Shares are offered in Singapore only, to all investors.

Specific risks to the attention of investors in Class R Shares offered exclusively in Singapore

Exchange rate risks

The Reference Currency of the Sub-Fund is not the Singapore dollar, investors in Singapore whose reference currency is the Singapore Dollar may be exposed to exchange rate risks in this connection.

Liquidity risks associated with redemptions of Shares

The Sub-Fund is not listed on any stock exchange in Singapore and there is no secondary market for the Sub-Fund in Singapore. Therefore, Singapore investors can only redeem their Shares by submitting redemption requests as described in this Prospectus. In certain circumstances, an investor’s right to redeem his Shares may be suspended or his redemption (or part thereof) may be deferred for a period in accordance with Section “Temporary Suspension of the Net Asset Value calculation” of the present Prospectus.

Liquidity risks for underlying investment

Not all securities or other investments held by the Sub-Fund will be listed or rated or actively traded and consequently their liquidity may be low. Moreover, the disposal of holdings in some investments may be time consuming and may need to be conducted at unfavorable prices. The Sub-Fund may also encounter difficulties in disposing of assets at their fair price due to adverse market conditions leading to limited liquidity. Further, the bid and offer spread of the price of the relevant instruments may be high and the Sub-Fund may therefore incur significant trading costs and may even suffer losses when selling such instruments.

Possible Early Termination of the Sub-Fund

Investors should note that the Sub-Fund may be terminated early under certain circumstances, as described in the section "Termination of Sub-Funds or Classes of Shares". For example, upon a prolonged suspension of redemption or prolonged suspension of the calculation of the Net Asset Value arising out of the inability of the Sub-Fund to dispose of the assets held by the Sub-Fund. Upon the Sub-Fund being terminated, the net cash proceeds (if any) derived from the realisation of the investments comprised in the Sub-Fund will be distributed to the Shareholders. Any such amount distributed may be more or less than the capital invested by the Shareholder.

Risks relating to distribution

There is no guarantee that the Sub-Fund will make distribution. Further where the income and/or capital gain generated by the Sub-Fund is insufficient to pay a distribution, the Sub-Fund may at its discretion make such distributions out of the capital of the Sub-Fund. Investors should note that in the circumstances where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount they originally invested or capital gains attributable to that and will generally result in an immediate decrease in the value of Shares.

Correlation with the benchmark

Due to its objective to maintain an adequate investment structure according to liquidity criteria, the Sub-Fund performance may be uncorrelated to the benchmark.

Sovereign debt risk

Sovereign debt instruments may become unrecoverable if issuers become insolvent or experience a decline in creditworthiness.

Classes of Shares

This Sub-Fund issues Classes UCITS ETF C-EUR Shares, Classes UCITS ETF D-EUR Shares, Classes UCITS ETF C-USD Shares, classes UCITS ETF D-USD Shares, Classes IE Shares, IE-D Shares, IU Shares, IU-D Shares, SE Shares, SE-D Shares, SU Shares, SU-D Shares, OE Shares, OU Shares, RU-DW Shares, RU-D Shares, RSGD-D Shares and RSGD-DW Shares (See chapter IV INVESTING IN THE COMPANY A. THE SHARES).

Investor's attention is drawn to the fact that this Sub-Fund issues both UCITS ETF Classes of Shares listed on several stock exchanges and other UCITS Classes of Shares which are not listed. For further information on the UCITS ETF Classes of Shares or other UCITS Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics.

Notwithstanding the arrangements of chapter VI. DISTRIBUTION POLICY, dividends will be distributed for the IE-D, IU-D, SE-D, SU-D, RU-DW, RU-D, RSGD-D and RSGD-DW Shares on monthly, quarterly or yearly basis as may be decided from time to time by the Board of Directors.

The IE Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the IE Shares will be offered at the initial price of EUR 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the IE Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

The IE-D Shares the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the IE-D Shares will be offered at the initial price of EUR 1,000.The minimum initial investment for the IE-D Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

The IE-W Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the IE-W Shares will be offered at the initial price of EUR 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the IE-W Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

The IU Shares of the Sub-Fund are offered for subscription. On the day of receipt of the first subscription orders, the IU Shares will be offered at the initial price of USD 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the IU Shares is of USD 1,000,000. The minimum subsequent subscription is of one (1) Share.

The IU-D Shares the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the IU-D Shares will be offered at the initial price of USD 1,000. The minimum initial investment for the IU-D Shares is of USD 1,000,000. The minimum subsequent subscription is of one (1) Share.

The SE Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the SE Shares will be offered at the initial price of EUR 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the IE Shares is of EUR 10,000,000. The minimum subsequent subscription is of one (1) Share.

The SE-D Shares the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the SE-D Shares will be offered at the initial price of EUR 1,000. The minimum initial investment for the SE-D Shares is of EUR 10,000,000. The minimum subsequent subscription is of one (1) Share.

The SU Shares of the Sub-Fund are offered for subscription. On the day of receipt of the first subscription orders, the SU Shares will be offered at the initial price of USD 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the IU Shares is of USD 10,000,000. The minimum subsequent subscription is of one (1) Share.

The SU-D Shares the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the SU-D Shares will be offered at the initial price of USD 1,000. The minimum initial investment for the SU-D Shares is of USD 10,000,000. The minimum subsequent subscription is of one (1) Share.

The OE Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the OE Shares will be offered at the initial price of EUR 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the OE Shares is of EUR 5,000,000. The minimum subsequent subscription is of one (1) Share.

The OU Shares of the Sub-Fund are offered for subscription. On the day of receipt of the first subscription orders, the OU Shares will be offered at the initial price of USD 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the OU Shares is of USD 5,000,000. The minimum subsequent subscription is of one (1) Share.

The RU-D and RU-DW Shares of the Sub-Fund are offered for subscription in Singapore only. On the day of receipt of the first subscription orders, the RU-D and RU-DW Shares will be offered at the initial price of USD 10. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for each of the RU-D and RU-DW Shares is of USD 1,000. The minimum subsequent subscription is of one (1) Share. There is no minimum holding requirement.

The RSGD-D and RSGD-DW Shares of the Sub-Fund are offered for subscription in Singapore only. On the day of receipt of the first subscription orders, the RSGD-D and RSGD-DW Shares will be offered at the initial price of SGD 10. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for each of the RSGD-D and RSGD-DW Shares is of SGD 1,000. The minimum subsequent subscription is of one (1) Share. There is no minimum holding requirement.

The UCITS ETF C-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the UCITS ETF C-EUR Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the UCITS ETF C-EUR Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

The UCITS ETF D-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the UCITS ETF D-EUR Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the UCITS ETF D-EUR Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

The UCITS ETF C-USD Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the UCITS ETF C-USD Shares will be offered at the initial price of USD 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the UCITS ETF C-USD Shares is of USD 100,000. The minimum subsequent subscription is of one (1) Share.

The UCITS ETF D-USD Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the UCITS ETF D-USD Shares will be offered at the initial price of USD 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the UCITS ETF D-USD Shares is of USD 100,000. The minimum subsequent subscription is of one (1) Share.

D – CASH STRATEGY SUB-FUND

1 - Lyxor Index Fund – Lyxor Smart Cash

The Reference Currency is EUR.

Investment Objective

The investment objective of the **Lyxor Index Fund - Lyxor Smart Cash** is to generate a return linked to money market rates. The Sub-Fund is benchmarked with the Eonia compounded rate. The recommended investment period for any investment in the Sub-Fund is 3 months.

The Sub-Fund is actively managed within a strict risk and liquidity control environment.

For the avoidance of doubts, this investment objective will not be carried out via an Indirect Replication or via a Direct Replication as described in Part I, III of the Prospectus.

Index used as benchmark

The index used as benchmark is the Eonia compounded rate.
The reference benchmark for investments in share-classes not denominated in Euro and hedged against Euro is the equivalent overnight money market rate for the currency of the related share class (if any).
The Eonia (Euro OverNight Index Average) rate is an effective overnight interest rate computed as a weighted average of all overnight unsecured lending transactions in the interbank market in Euros. Eonia reference rates are calculated by the European Central Bank, based on all overnight interbank assets created before the close of RTGS systems at 6pm CET, and published through Thomson Reuters every day before 7pm CET.
The daily compounded EONIA integrates the impact of the reinvestment of the interests perceived under the OIS (Overnight Indexed Swap) methodology.

Investment policy

Investment Universe

To achieve its investment objective, the investment universe of the Sub-Fund consists of:

- money market instruments including cash deposits with credit institutions, provided that: (i) the credit institution is rated at least A- by S&P or an equivalent rating by Moody's or Fitch (ii) no significant credit risk arise from such instruments, (iii) the maturity of these instruments is less than 6 months, and (iv) the yield of the instruments is linked to money market rates;
- transferable securities (including equities, debt instruments with fixed or variable coupon) or units or shares of UCITS authorized in accordance with the 2009 Directive, provided that any un-hedged (i.e. risky) exposure to the following instruments will be excluded from the Sub-Fund allocation:
    - transferable securities that do not belong to money market instruments or to short term interest rate instruments;
    - units or shares of UCITS authorized in accordance with the 2009 Directive that are not money market UCIs;
    - transferable securities bearing a short term rating below A2/P2 by the rating agency S&P / Moody's. If not rated by any of these two agencies, the Management Company will internally assess the rating based on the credit rating of the issuer by the rating agencies S&P / Moody's;
    - transferable securities bearing embedded optionality at the discretion of the issuer.

  It is noted that securities with a maturity exceeding 6 months will be excluded (for the avoidance of doubt, the securities covered by agreements of physical delivery to third parties will be deemed to mature on the effective date of such delivery).
  It is noted that the Sub-Fund investments in units or shares of UCITS authorized in accordance with the 2009 Directive will be limited to a maximum of 10% of the NAV.
- Financial derivative instruments including in particular:
    - money market swaps i.e. swaps over a diversified basket of financial instruments (including equities, debt instruments with fixed or variable coupon) providing returns linked to money market rates, provided that (i) the swap counterparty does not create a significant counterparty risk (i.e. the financial institution will be rated at least A- by the rating agency S&P or an equivalent rating by Moodys or Fitch) (ii) the maturity of the swap is less than 6 months, (iii) the yield of the swap is similar to the yield of a money market instruments, (iv) any positive mark to market value of the swap contract is reset on a daily basis. Moreover, any collateral received to cover such mark to market exposure will have to be in line with the liquidity and eligibility criteria of short term money market instruments;
    - currency forwards and currency swaps transactions strictly designed to hedge currency risks;

- interest rate swaps transactions aiming at reducing interest rate risks.

- Efficient portfolio management techniques including:
  - securities lending and borrowing of securities, provided that (i) the counterparty of the transaction does not create a significant counterparty risk (i.e. the financial institution will be rated at least A- by the rating agency S&P or an equivalent rating by Moodys or Fitch) (ii) the transaction is for a fixed price, (iii) the maturity of the transaction is less than 6 months, and (iv) the yield of the transaction is linked to money market instruments;
  - repurchase and reverse repurchase transactions on transferable securities (including equities, fixed or variable debt instruments) provided that (i) the counterparty does not create a significant credit risk (i.e. the financial institution will be rated at least A- by the rating agency S&P or an equivalent rating by Moodys or Fitch), (ii) the transaction is for a fixed price, (iii) the maturity of the transaction is less than 6 months, and (iv) the yield of the transaction is linked to money market instruments.

The Sub-Fund may also hold cash.

Please note that:
- whilst the Sub-Fund may invest in equity instruments and/or units or shares of UCITS authorized in accordance with the 2009 Directive, such instruments are structured into repo-type transactions or combined with money market swaps so that the resulting yield and maturity matches a money market investment.
- The combined basket of securities (including equities, debt instruments with fixed or variable coupon) and money market instruments and shares or units issued by UCIs as underlying instruments for the money market swaps, securities borrowing and/or lending transaction, repurchase and reverse repurchase transactions, or held by the Sub-Fund as collateral will be well diversified and its components will be controlled on a daily basis for risk assessment.
- The combined basket of transferable securities (including equities, debt instruments with fixed or variable coupon) and units or shares of UCITS used as underlying instruments for the money market swaps, securities borrowing and/or lending transaction may, from time to time, include equities issued by medium capitalization companies and non-investment grade bonds with a credit rating at least equal to BB- in respect to Standard & Poor's or Fitch classification or at least equal to Ba3 in respect to Moody's classification, provided that the overall basket remains diversified and that it does not result in a material change of the overall risk of the basket as assessed by the Management Company.
- Over-the-counter transactions will be entered into with first class credit institutions, rated at least A- by the rating agency S&P or an equivalent rating by Moodys or Fitch. The valuation of the over-the-counter financial derivative instruments (swaps) will be provided by the counterparty but the Management Company will make their own independent valuation thereof. The valuation of the swaps will be checked by the auditor of the Company during their annual audit mission.
- The Sub-Fund may receive collateral from credit institutions on an asset pool to reduce part or all of the inherent counterparty risk of deposits or derivatives traded with such credit institutions.

Investment Strategy

In order to achieve its investment objective, the Management Company will deploy an investment strategy consisting of the following steps:

1/ Selection of financial instruments within the investment universe described above, taking into account current market conditions and opportunities and relying on quantitative techniques including the use of a benchmark portfolio.

2/ Portfolio construction taking into account two major layers of constraints:
- risk constraints: in addition to the UCITS constraints, risk constraints consist of strict diversification, liquidity, volatility and sensitivity criteria:
  - liquidity: exclusion of any un-hedged (i.e. risky) exposure with a maturity exceeding 6 months;
  - volatility of the Sub-Fund's investment portfolio (including derivative instruments used for investing or hedging purposes) will be in line with the volatility of money market rates;
  - diversification: the Sub-Fund investments will be diversified in terms of issuers in the case of unsecured exposure to such issuers or in terms of diversification of the portfolios covering the Sub-Fund in the case of default of a counterparty;

- the weighted average maturity (WAM[1]) and the weighted average life (WAL) of the exposure of the Sub-funds, which should respectively not exceed 3 months and remain positive (for the WAM) and not exceed 12 months (for the WAL[2]);
- other constraints: choice of the most suitable financial instruments for the investment, taking into account the specificities of each instrument (from a trading, legal and tax perspective).

3/ Review and approval of the considered diversified allocation by the Sub-Fund strategic allocation committee based on risk/return analysis. The strategic allocation committee is composed of senior members of the Lyxor research, fund management and risk management departments.

4/ Daily monitoring of the overall portfolio risks aiming at adjusting the portfolio, in addition to adjustments linked to subscriptions and redemptions into the Sub-Fund.

For the avoidance of doubt, the Sub-Fund may be exposed to the performance of transactions offering exposure to the purchase and sale of financial instruments covered by derivatives instruments against any market or credit risk related to such financial instruments, as far as the overall transaction provides a return linked to money market rates.

Fees and expenses

The annual rate of fees and expenses borne by the Sub-Fund, for each Class of Shares, is included in the total fee set forth under the Appendix E - Summary Table of the Shares issued by the Company. Within such total fee, the Other Fees and Expenses (i.e. all the fees borne by each Sub-Fund, with the exception of the Management Fees, as defined under the section VIII of the present Prospectus entitled FEES, EXPENSES AND TAXATION) will not exceed 0.05% p.a.

Main risks

Among the different risks described in "Appendix C – Special Risks Considerations and Risk Factors", the Sub-Fund is more specifically exposed to the following risks: use of repurchase agreements, use of reverse repurchase agreements, securities lending risk, interest rate risk, credit risk, liquidity risk, currency risk, risk of using derivative instruments, capital at risk, regulatory risk affecting the Sub-Fund, investments in structured notes, counterparty risk, and risk that the Sub-Fund's investment objective is only partially achieved.

Other risks are:

Additional risk to the Counterparty Risk:
In relation to money market swaps (i.e. asset swaps providing the Sub-Fund with a return linked to money-market rates), there is a risk that the value of the assets held by the Sub-Fund as underlyings of the swap may deteriorate, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of an underlying, or the illiquidity of the market in which the underlying is traded. This could increase the level of counterparty risk of the Sub-Fund.

Risk linked to inflation:
Through the Sub-Fund, Shareholders are exposed to the risk of potential capital erosion due to a general increase of inflation as the Sub-Fund performance does not account for inflation.

The EONIA reference rate may be negative, which could result in a negative performance of the Sub-Fund.

The Sub-Fund does not benefit from any implicit or explicit guarantee, neither from a swap counterparty (including Société Générale) nor from any entity acting as distributor of the Sub-Fund.

Classes of Shares

This Sub-Fund issues Classes UCITS ETF C-EUR Shares, UCITS ETF C-USD Shares, UCITS ETF C-GBP Shares Classes IE Shares, OE Shares, IU Shares, OU Shares and IG Shares (See chapter IV INVESTING IN THE COMPANY A. THE SHARES).

[1]Weighted Average Maturity: WAM is a measure of the average length of time to maturity of all of the underlying securities in the fund weighted to reflect the relative holdings in each instrument, assuming that the maturity of a floating rate instrument is the time remaining until the next interest rate reset to the money market rate, rather than the time remaining before the principal value of the security must be repaid. In practice, WAM is used to measure the sensitivity of a money market fund to changing money market interest rates.

[2] Weighted Average Life: WAL is the weighted average of the remaining life (maturity) of each security held in a fund, meaning the time until the principal is repaid in full (disregarding interest and not discounting). Contrary to what is done in the calculation of the WAM, the calculation of the WAL for floating rate securities and structured financial instruments does not permit the use of interest rate reset dates and instead only uses a security's stated final maturity. WAL is used to measure the credit risk, as the longer the reimbursement of principal is postponed, the higher is the credit risk. WAL is also used to limit the liquidity risk.

Investor's attention is drawn to the fact that this Sub-Fund issues both UCITS ETF Classes of Shares listed on several stock exchanges and other UCITS Classes of Shares which are not listed. For further information on the UCITS ETF Classes of Shares or other UCITS Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics.

The UCITS ETF C-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the UCITS ETF C-EUR Shares will be offered at the initial price of EUR 1,000.
Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the UCITS ETF C-EUR Shares is of EUR 1 000,000. The minimum subsequent subscription is of one (1) Share. The UCITS ETF C-EUR Shares are capitalizing.

The UCITS ETF C-USD Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the UCITS ETF C-USD Shares will be offered at the initial price of USD 1,000.
Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the UCITS ETF C-USD Shares is of USD 1 000,000. The minimum subsequent subscription is of one (1) Share. The UCITS ETF C-USD Shares are capitalizing.

The UCITS ETF C-GBP Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the UCITS ETF C-GBP Shares will be offered at the initial price of GBP 1,000.
Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the UCITS ETF C-GBP Shares is of GBP 1 000. The minimum subsequent subscription is of one (1) Share. The UCITS ETF C-GBP Shares are capitalizing.

The IE Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the IE-Shares will be offered at the initial price of EUR 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the IE Shares is of EUR 1 000,000. The minimum subsequent subscription is of one (1) Share. The IE Shares are capitalizing.

The OE Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the OE Shares will be offered at the initial price of EUR 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the OE Shares is of EUR 1 000,000. The minimum subsequent subscription is of one (1) Share. The OE Shares are capitalizing.

The IU Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Shares will be offered at the initial price of USD 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the IU Shares is of USD 1 000,000. The minimum subsequent subscription is of one (1) Share. The IU Shares are capitalizing.

The OU Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the OU Shares will be offered at the initial price of USD 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the OU Shares is of USD 1 000,000. The minimum subsequent subscription is of one (1) Share. The OU Shares are capitalizing.

The IG Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the IG Shares will be offered at the initial price of GBP 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day. The minimum initial investment for the IG Shares is of GBP 1 000,000. The minimum subsequent subscription is of one (1) Share. The OU Shares are capitalizing.

Risk Management

The global risk exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

E – WINTON GLOBAL STRATEGY SUB-FUNDS

1 - Lyxor Index Fund – Lyxor Winton Europe Equity UCITS ETF

The Reference Currency of the Sub-Fund is the EUR.

Investment Manager

The Management Company has appointed Winton Capital Management Limited as Investment Manager of the Sub-Fund (the "**Investment Manager**" or "**Winton**") in order to benefit from the knowledge and skills of Winton Capital Management Limited and to reach the Investment Objective. The Investment Manager employs a large research team to perform scientific analysis on historical data related to financial markets in an attempt to identify profitable investment opportunities. The Investment Manager is authorised and regulated by the FCA.

The Investment Manager was appointed by the Management Company pursuant to the Investment Management Delegation Agreement (the "**Agreement**"). Under this Agreement, the Investment Manager agreed to provide the Management Company with an allocation basket implementing the Reference Strategy (the "**Allocation Basket**") in compliance with the investment objective and policy described below. The Allocation Basket will be executed by the Management Company subject to the provisions of Section "*Management Company constraints*" below.

INVESTMENT OBJECTIVE

The investment objective of the Sub-Fund is to reflect the Winton European Strategy (the "**Reference Strategy**"). The Reference Strategy is a long-only rules based algorithm based on a strategy developed and operated by Winton which seeks to outperform the MSCI Europe Index Net Dividend Reinvested (EUR) (the "**MSCI Europe Index**") over a 5 year investment horizon.

The Sub-Fund is actively managed by investing in a diversified portfolio of equities.

Index used as a benchmark

The MSCI Europe Index is an index of equities from the energy, materials, industrials, consumer, discretionary, consumer staples, healthcare, financials, information technology, telecommunications services and utilities sectors in Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom (the "**European Developed Markets**").

Reference Strategy

The Investment Manager defines the Reference Strategy based on the application of rigorous scientific methods to the conception and deployment of investment strategies. There are four key areas of research conducted: 1) returns forecasting, 2) risk forecasting, 3) portfolio construction, 4) cost control. The Investment Manager uses this research to develop proprietary, algorithmic trading strategies that are operated as an automated, computer-based system. This system, known as the Winton Investment System, is then implemented (with certain variations resulting from particular investment constraints) to create different investment programs. The Winton Equity Program is the equity-based, fully invested and long-only expression of the Winton Investment System (The "**Program**").

The Program's equity selection process is derived from algorithms, which are based on extensive research into the risk and expected return characteristics of the different equities within the investment universe (described below).The Program attempts to form a return prediction on each equity in the universe using fundamental and price-based predictive proprietary signals, and the interactions between them. The Program then builds a portfolio consisting of those equities with a higher probability of excess returns. The Program also forms a risk prediction on each equity in the investment universe using a proprietary risk model. Risk predictions are used to weight positions in a manner that is inversely proportional to their forecasted risk.

The Winton Investment System, from which the Program is derived, is modified over time as the Investment Manager monitors its operation and undertakes further research. Changes to the system occur as a result of, amongst other things, the discovery of new relationships, changes in market liquidity, the availability of new data or the reinterpretation of existing data. Most of the Sub-Fund's investments are made strictly in accordance with the output of the Winton Investment System. However, the Investment Manager may, on occasion (such as the occurrence of exceptional events that fall outside the parameters of the research on which the system is based), make investment decisions based on factors other than those that are programmed into the investment system (for example, fundamental factors or Investment Manager's judgment) and take action to override the output of the system to seek to protect the interests of its clients.

Universe of the Reference Strategy

Investments are primarily selected from the European Developed Markets portions of underlying universes of the two of the main global equity benchmarks, the S&P 1200 index and the MSCI World index. The Sub-Fund may also invest in equities of European Developed Markets companies that are not included in the S&P 1200 index and/or MSCI World index, provided they meet Winton's liquidity and data quality requirements, including a sufficiently long and consistent price history.

The Sub-Fund will invests in total in approximately 50 to 100 freely transferable equity primarily of issuers listed or traded on a regulated market located in any European Developed Market. The Sub-Fund is diversified and therefore does not concentrate on any specific industrial sectors but rather will pursue a policy of active security selection in the markets in which it operates.

INVESTMENT POLICY

In order to achieve its investment objective, the Sub-Fund may invest in a diversified portfolio of equities and may also invest in financial derivatives instruments ("**FDI**") including futures transactions, swaps, hedging swap, forward contracts, non-deliverable forwards, spot foreign exchange transactions as well as depositary receipts or UCITS including Exchange Traded Funds, within the limits set forth under the Sub-Fund investment general restrictions and for reasons such as generating efficiencies in gaining exposure to the constituents of the Allocation Basket**.**

Management Company constraints

The Management Company may modify the Allocation Basket by using sampling techniques inside of the universe of financial instruments mentioned in the Allocation Basket due to liquidity constraints (including but not limited to liquidity filters, country exposure) as defined from time to time by the Management Company.

According to the above provision, the Management Company may have to execute within the Sub-Fund a sampled revised basket (the "**Revised Basket**"). When defining the composition of the Revised Basket, the Management Company shall use its reasonable endeavours to minimize the Strategy Tracking Error (as defined below) between the Allocation Basket and the Revised Basket.

This implies that the Sub-Fund's performance may potentially drift from the Reference Strategy's performance.

"**Strategy Tracking Error**" means the volatility of the difference between the return of the Revised Basket and the return of the Allocation Basket

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with the Appendix B of this Prospectus.

The Management Company may at its discretion make available the composition of the Sub-Fund holdings.

CLASSES OF SHARES

This Sub-Fund issues the following Classes of Shares: C-EUR, D-EUR, (see chapter *IV. INVESTING IN THE COMPANY ON THE PRIMARY MARKET – section A.THE SHARES).*

Notwithstanding the arrangements of chapter *VII. DISTRIBUTION POLICY*, dividends will be distributed for the D Shares on quarterly or yearly basis as may be decided from time to time by the Board of Directors.

The C Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the C Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with at the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Reference Strategy is not available (these days not being Business Days). The minimum initial investment for the C Shares is of EUR 100,000.The minimum subsequent subscription is of one (1) Share.

The D Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the D Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Reference Strategy is not available (these days not being Business Days). The minimum initial investment for the D Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share.

RISK MANAGEMENT

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

IMPORTANT INFORMATION

Principal risks

Among the different risks described in *Appendix C – Special Risks Considerations and Risk Factors*, the Sub-Fund is more specifically exposed to the following risks: Equity Risk, Capital at Risk, Counterparty Risk, Currency Risk, Risks in relation to the index or the reference strategy sampling replication.

Specific risks

- Additional risk that the Sub-Fund investment objective is only partially achieved

Notwithstanding anything mentioned in Appendix *C – Special Risks Considerations and Risk Factors* with respect to the aforementioned risk, Shareholders should be aware that for each relevant Valuation Day, the exposure - and hence the performance - of the Sub-Fund may differ from the exposure - and hence the performance - of the Reference Strategy due to various factors, most notably (but not limited to):

- the aforementioned potential divergence resulting from the implementation of a Revised Basket rather than the Allocation Basket;
- the Revised Basket is not executed on the same market conditions than the Reference Strategy. As market dynamics shift over time, this may result in a difference of performance.

- Limitation of mathematical models
The Reference Strategy is based on research into past data and the application of that research to the development of mathematical models that attempt to forecast returns, risk, correlation and transaction costs. Many of these models are trend-following models that attempt to identify and exploit market trends. Mathematical models are representations of reality but they may be incomplete and/or flawed and there is an inherent risk that any forecasts derived from them may be inaccurate, particularly if the research or models are based on, or incorporate, inaccurate assumptions or data. Assumptions or data may be inaccurate from the outset or may become inaccurate as a result of many factors such as changes in market structure, increased government intervention in markets or growth in assets managed in accordance with similar investment strategies. In particular, such factors may make these trend-following models less effective because they may lessen the prospect of identified trends occurring or continuing in the future. As a result of the foregoing, the Winton Investment System may not generate profitable trading signals and the Sub-Fund may suffer loss.

- Crowding/Convergence
There is significant competition among quantitative investment managers and Winton's ability to deliver returns that have a low correlation with global aggregate equity markets and other market participants is dependent on the Winton's ability to employ an investment system that is simultaneously profitable and differentiated from those employed by other managers. To the extent that Winton is not able to develop a sufficiently differentiated investment system, the investment objective may not be met. The growth in assets managed in accordance with similar investment strategies may result in Winton and other market participants inadvertently buying and selling the same or similar investments simultaneously, which may reduce liquidity and exacerbate market moves. As a result, the Sub-Fund may suffer loss.

- Process Exceptions
The Winton investment approach is based on mathematical models which are implemented as an automated computer-based investment system. Issues with the design, development, implementation, maintenance or operation of the Winton Investment System; any component of the Winton Investment System; or any processes and procedures related to the Winton Investment System (collectively, "**Process Exceptions**") may cause losses to the Sub-Fund and such losses may be substantial. Any losses or gains arising from Process Exceptions shall be for the account of the Sub-Fund (i.e., the Sub-Fund will bear any losses and will benefit from any gains) except for any losses that result directly from Winton gross negligence, wilful default, fraud or other applicable liability standard.

Process Exceptions may include, but are not limited to:

Programming Errors Winton may make programming errors in translating the mathematical models into computer code. In addition, as a mathematical model can be expressed in computer code in multiple ways, the choice of code ultimately used may not result in the best representation of the model.

Failure of Technology The Winton Investment System is reliant on proprietary and third party technology. Such technology may be adversely affected by many issues, some of which may be outside Winton control, including issues associated with network infrastructure, software updates, bugs, viruses and unauthorised access.

Incorporation of Data Winton may incorporate inaccurate data, or make errors in incorporating data, into the Winton Investment System. Process Exceptions may be extremely difficult to detect, may go undetected for long periods or may never be detected. The impact of such Process Exceptions may be compounded over time and may result in, among other things, the execution of unanticipated trades, the failure to execute anticipated trades, the failure to properly allocate trades, the failure to properly gather and organise available data and/or the failure to take certain hedging or risk mitigating actions. Although Winton evaluates the materiality of any Process Exceptions which are detected, Winton may conclude that some are not material and may choose not to address them. Such judgments may prove not to be correct. Winton does not intend to disclose Process Exceptions to the Sub-Fund, except where required to do so.

- Trading Outside the Investment System
Most of Winton's investment decisions are made strictly in accordance with the output of the Winton Investment System but Winton may, in exceptional circumstances such as the occurrence of events that fall outside the input parameters of the system, make investment decisions based on other factors and take action to override the output of the system to seek to protect the interests of the Sub-Fund. However, system's signals may ultimately prove to be accurate and Winton action may not prevent losses to the Sub-Fund and may in fact cause or exacerbate losses.

- Risk of loss of Senior Personnel
The performance of the Winton Investment System is substantially dependent on the services of Winton senior professionals who are responsible for developing, monitoring and maintaining the system. In the event of the death, incapacity or departure of such professionals, the performance of the Winton Investment System may be adversely affected and the Sub-Fund may suffer losses.

- Specific risks linked to Global Depository Receipts (commonly known as "GDR"), and American Depositary Receipt (commonly known as "ADR"): Exposure to GDR and ADR may generate additional risks compared to a direct exposure to the corresponding underlying stocks, in particular, as the consequence of the intervention of the depositary bank issuing the GDR or ADR and the risk of non-segregation under applicable law of the depositary bank who hold the underlying stock as collateral and its own assets. Although segregation is an integral part of the depositary agreement regulating the issuance of the aforesaid ADRs and GDRs, there could be a risk that underlying shares would not be attributed to holders of ADRs and GDRs in case of bankruptcy of the depositary bank. In such case, the likeliest scenario would be the trading suspension and thereafter a freeze of the price of the ADRs and GDRs impacted by such bankruptcy event. Bankruptcy events in respect of the depositary banks issuing the GDRs and ADRs may negatively affect the performance and/or the liquidity of the Sub-Fund.

DISCLAIMER

Winton does not take any responsibility for the accuracy or completeness of the contents of these materials, any representations made herein, or the performance of the Sub-Fund. Winton disclaims any liability for any direct, indirect, consequential or other losses or damages, including loss of profits, incurred by you or by any third party that may arise from any reliance on these materials. Winton is not responsible for, nor involved in, the marketing, distribution or sales of shares or interests in the Sub-Fund and is not responsible for compliance with any marketing or promotion laws, rules or regulations; and no third party is authorised to make any statement about any of Winton's products or services in connection with any such marketing, distribution or sales. Past performance by any other funds advised by Winton is not indicative of any future performance by the Sub-Fund.

2 - Lyxor Index Fund – Lyxor Winton Global Equity UCITS ETF

The Reference Currency of the Sub-Fund is the USD.

Investment Manager

The Management Company has appointed Winton Capital Management Limited as Investment Manager of the Sub-Fund (the "**Investment Manager**" or "**Winton**") in order to benefit from the knowledge and skills of Winton Capital Management Limited and to reach the Investment Objective. The Investment Manager employs a large research team to perform scientific analysis on historical data related to financial markets in an attempt to identify profitable investment opportunities. The Investment Manager is authorised and regulated by the FCA.

The Investment Manager was appointed by the Management Company pursuant to the Investment Manager Agreement (the "**Agreement**"). Under this Agreement, the Investment Manager agreed to provide the Management Company with an allocation basket implementing the Reference Strategy (the "**Allocation Basket**") in compliance with the investment objective and policy described below. The Allocation Basket will be executed by the Management Company subject to the provisions of Section "*Management Company constraints*" below.

INVESTMENT OBJECTIVE

The investment objective of the Sub-Fund is to reflect the Winton Global Strategy (the "**Reference Strategy**"). The Reference Strategy is a long-only rules based algorithm based on a strategy developed and operated by Winton which seeks to outperform the MSCI World Net Total Return Index (USD) (the "**MSCI World Index**") over a 5 year investment horizon.

The Sub-Fund is actively managed by investing in a diversified portfolio of equities.

Index used as a benchmark

The MSCI World Index is an index of stocks from the energy, materials, industrials, consumer discretionary, consumer staples, healthcare, financials, information technology, telecommunications and utilities sectors in the following countries, as amended from time to time : Austria, Australia, Belgium, Canada, Switzerland, Germany, Denmark, Spain, Finland, France, United Kingdom, Greece, Hong Kong, Ireland, Italy, Japan, the Netherlands, Norway, New Zealand, Portugal, Sweden, Singapore and the United States.

Reference Strategy

The Investment Manager defined the Reference Strategy based on the application of rigorous scientific methods to the conception and deployment of investment strategies. There are four key areas of research conducted: 1) returns forecasting, 2) risk forecasting 3) portfolio construction, 4) cost control. The Investment Manager uses this research to develop proprietary, algorithmic trading strategies that are operated as an automated, computer-based system. This system, known as the Winton Investment System, is then implemented (with certain variations resulting from particular investment constraints) to create different investment programs. The Winton Equity Program is the equity-based, fully invested and long-only expression of the Winton Investment System (The "**Program**").

The Program's equity selection process is derived from algorithms, which are based on extensive research into the risk and expected return characteristics of the different equities within the investment universe (described below).The Program attempts to form a return prediction on each equity in the universe using fundamental and price-based predictive proprietary signals, and the interactions between them. The Program then builds a portfolio consisting of those equities with a higher probability of excess returns. The Program also forms a risk prediction on each equity in the investment universe using a proprietary risk model. Risk predictions are used to weight positions in a manner that is inversely proportional to their forecasted risk.

The investment system, from which the Program is derived, is modified over time as the Investment Manager monitors its operation and undertakes further research. Changes to the system occur as a result of, amongst other things, the discovery of new relationships, changes in market liquidity, the availability of new data or the reinterpretation of existing data. Most of the Sub-Fund's investments are made strictly in accordance with the output of the investment system. However, the Investment Manager, on occasion (such as the occurrence of exceptional events that fall outside the parameters of the research on which the system is based), make investment decisions based on factors other than those that are programmed into the investment system (for example, fundamental factors or Investment Manager's judgment) and take action to override the output of the system to seek to protect the interests of its clients.

Universe of the Strategy

Investments are selected from the underlying universes of two of the main global equity benchmarks, the S&P 1200 index and the MSCI World index. The Sub-Fund will invest in approximately 200 to 400 freely transferable equity primarily of issuers listed or traded on a regulated market. The Sub-Fund is diversified and therefore does not concentrate on any specific industrial sectors but rather will pursue a policy of active security selection in the markets in which it operates.

The Sub-Fund may invest in emerging market economies but such investment will represent a small portion of the investment portfolio and is not expected to exceed 10 per cent of the assets under management .Any such investments in emerging markets instruments will focus upon the more advanced markets such as Korea and Taiwan and liquid investments such as Korean and Taiwanese S&P 1200 stocks.

INVESTMENT POLICY

In order to achieve its investment objective, the Sub-Fund may invest in a diversified portfolio of equities and may also invest in financial derivatives instruments ("**FDI**") including futures transactions, swaps, hedging swap, forward contracts, non-deliverable forwards, spot foreign exchange transactions as well as depositary receipts or UCITS including Exchange Traded Funds, within the limits set forth under the Sub-Fund investment general restrictions and for reasons such as generating efficiencies in gaining exposure to the constituents of the Allocation Basket**.**

Management Company constraints

The Management Company may modify the Allocation Basket by using sampling techniques inside of the universe of financial instruments mentioned in the Allocation Basket due to liquidity constraints (including but not limited to liquidity filters, country exposure) as defined from time to time by the Management Company.

According to the above provision, the Management Company may have to execute within the Sub-Fund a sampled revised basket (the "**Revised Basket**"). When defining the composition of the Revised Basket, the Management Company shall use its reasonable endeavours to minimize the Strategy Tracking Error (as defined below) between the Allocation Basket and the Revised Basket.

This implies that the Sub-Fund's performance may potentially drift from the Reference Strategy's performance.

"**Strategy Tracking Error**" means the volatility of the difference between the return of the Revised Basket and the return of the Allocation Basket

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with the Appendix B of this Prospectus.

The Management Company may at its discretion make available the composition of the Sub-Fund holdings.

CLASSES OF SHARES

This Sub-Fund issues the following Classes of Shares: C-USD, D-USD, (see chapter IV. *INVESTING IN THE COMPANY ON THE PRIMARY MARKET - A. THE SHARES).*

Notwithstanding the arrangements of chapter VII DISTRIBUTION POLICY, dividends will be distributed for the D Shares on quarterly or yearly basis as may be decided from time to time by the Board of Directors.

The C Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the C Shares will be offered at the initial price of USD 100. Subsequent subscriptions will be dealt with at the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Reference Strategy is not available (these days not being Business Days). The minimum initial investment for the C Shares is of EUR 100,000 or the equivalent in another currency. The minimum subsequent subscription is of one (1) Share.

The D Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the D Shares will be offered at the initial price of USD 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Reference Strategy is not available (these days not being Business Days). The minimum initial investment for the D Shares is of EUR 100,000 or the equivalent in another currency. The minimum subsequent subscription is of one (1) Share.

RISK MANAGEMENT

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

IMPORTANT INFORMATION

Principal risks

Among the different risks described in "Appendix C – Special Risks Considerations and Risk Factors", the Sub-Fund is more specifically exposed to the following risks: Equity Risk, Capital at Risk, Counterparty Risk, Currency Risk, Risks in relation to the index or the reference strategy sampling replication.

Specific risks

- Additional risk that the Sub-Fund investment objective is only partially achieved

Notwithstanding anything mentioned in Appendix C with respect to the aforementioned risk, Shareholders should be aware that for each relevant Valuation Day, the exposure - and hence the performance - of the Sub-Fund may differ from the exposure - and hence the performance - of the Reference Strategy due to various factors, most notably (but not limited to):

- the aforementioned potential divergence resulting from the implementation of a Revised Basket rather than the Allocation Basket;
- the Revised Basket is not executed on the same market conditions than the Reference Strategy. As market dynamics shift over time, this may result in a difference of performance.

- Limitation of mathematical models
The Reference Strategy is based on research into past data and the application of that research to the development of mathematical models that attempt to forecast returns, risk, correlation and transaction costs. Many of these models are trend-following models that attempt to identify and exploit market trends. Mathematical models are representations of reality but they may be incomplete and/or flawed and there is an inherent risk that any forecasts derived from them may be inaccurate, particularly if the research or models are based on, or incorporate, inaccurate assumptions or data. Assumptions or data may be inaccurate from the outset or may become inaccurate as a result of many factors such as changes in market structure, increased government intervention in markets or growth in assets managed in accordance with similar investment strategies. In particular, such factors may make these trend-following models less effective because they may lessen the prospect of identified trends occurring or continuing in the future. As a result of the foregoing, the Winton Investment System may not generate profitable trading signals and the Sub-Fund may suffer loss.

- Crowding/Convergence
There is significant competition among quantitative investment managers and Winton's ability to deliver returns that have a low correlation with global aggregate equity markets and other market participants is dependent on the Winton's ability to employ an investment system that is simultaneously profitable and differentiated from those employed by other managers. To the extent that Winton is not able to develop a sufficiently differentiated investment system, the investment objective may not be met. The growth in assets managed in accordance with similar investment strategies may result in Winton and other market participants inadvertently buying and selling the same or similar investments simultaneously, which may reduce liquidity and exacerbate market moves. As a result, the Sub-Fund may suffer loss.

- Process Exceptions
Winton's investment approach is based on mathematical models which are implemented as an automated computer-based investment system. Issues with the design, development, implementation, maintenance or operation of the Winton Investment System; any component of the Winton Investment System; or any processes and procedures related to the Winton Investment System (collectively, "**Process Exceptions**") may cause losses to the Sub-Fund and such losses may be substantial. Any losses or gains arising from Process Exceptions shall be for the account of the Sub-Fund (i.e., the Sub-Fund will bear any losses and will benefit from any gains) except for any losses that result directly from Winton gross negligence, wilful default, fraud or other applicable liability standard.

Process Exceptions may include, but are not limited to:

Programming Errors Winton may make programming errors in translating the mathematical models into computer code. In addition, as a mathematical model can be expressed in computer code in multiple ways, the choice of code ultimately used may not result in the best representation of the model.

Failure of Technology The Winton Investment System is reliant on proprietary and third party technology. Such technology may be adversely affected by many issues, some of which may be outside Winton control, including issues associated with network infrastructure, software updates, bugs, viruses and unauthorised access.

Incorporation of Data Winton may incorporate inaccurate data, or make errors in incorporating data, into the Winton Investment System. Process Exceptions may be extremely difficult to detect, may go undetected for long periods or may never be detected. The impact of such Process Exceptions may be compounded over time and may result in, among other things, the execution of unanticipated trades, the failure to execute anticipated trades, the failure to properly allocate trades, the failure to properly gather and organise available data and/or the failure to take certain hedging or risk mitigating actions. Although Winton evaluate the materiality of any Process Exceptions which are detected, Winton may conclude that some are not material and may choose not to address them. Such judgements may prove not to be correct. Winton does not intend to disclose Process Exceptions to the Sub-Fund, except where required to do so.

- Trading Outside the Investment System
Most of Winton's investment decisions are made strictly in accordance with the output of the Winton Investment System but Winton may, in exceptional circumstances such as the occurrence of events that fall outside the input parameters of the system, make investment decisions based on other factors and take action to override the output of the system to seek to protect the interests of the Sub-Fund. However, system's signals may ultimately prove to be accurate and Winton action may not prevent losses to the Sub-Fund and may in fact cause or exacerbate losses.

- Risk of loss of Senior Personnel
The performance of the Winton Investment System is substantially dependent on the services of Winton senior professionals who are responsible for developing, monitoring and maintaining the system. In the event of the death, incapacity or departure of such professionals, the performance of the Winton Investment System may be adversely affected and the Sub-Fund may suffer losses.

- Specific risks linked to Global Depository Receipts (commonly known as "GDR"), and American Depositary Receipt (commonly known as "ADR"): Exposure to GDR and ADR may generate additional risks compared to a direct exposure to the corresponding underlying stocks, in particular, as the consequence of the intervention of the depositary bank issuing the GDR or ADR and the risk of non-segregation under applicable law of the depositary bank who hold the underlying stock as collateral and its own assets. Although segregation is an integral part of the depositary agreement regulating the issuance of the aforesaid ADRs and GDRs, there could be a risk that underlying shares would not be attributed to holders of ADRs and GDRs in case of bankruptcy of the depositary bank. In such case, the likeliest scenario would be the trading suspension and thereafter a freeze of the price of the ADRs and GDRs impacted by such bankruptcy event. Bankruptcy events in respect of the depositary banks issuing the GDRs and ADRs may negatively affect the performance and/or the liquidity of the Sub-Fund.

DISCLAIMER

Winton does not take any responsibility for the accuracy or completeness of the contents of these materials, any representations made herein, or the performance of the Sub-Fund. Winton disclaims any liability for any direct, indirect, consequential or other losses or damages, including loss of profits, incurred by you or by any third party that may arise from any reliance on these materials. Winton is not responsible for, nor involved in, the marketing, distribution or sales of shares or interests in the Sub-Fund and is not responsible for compliance with any marketing or promotion laws, rules or regulations; and no third party is authorised to make any statement about any of Winton's products or services in connection with any such marketing, distribution or sales. Past performance by any other funds advised by Winton is not indicative of any future performance by the Sub-Fund.

The Reference Currency of the Sub-Fund is the USD.

Investment Manager

The Management Company has appointed Winton Capital Management Limited as Investment Manager of the Sub-Fund (the "**Investment Manager**" or "**Winton**") in order to benefit from the knowledge and skills of Winton Capital Management Limited and to reach the Investment Objective. The Investment Manager employs a large research team to perform scientific analysis on historical data related to financial markets in an attempt to identify profitable investment opportunities. The Investment Manager is authorised and regulated by the FCA.

The Investment Manager was appointed by the Management Company pursuant to the Investment Manager Agreement (the "**Agreement**"). Under this Agreement, the Investment Manager agreed to provide the Management Company with an allocation basket implementing the Reference Strategy (the "**Allocation Basket**") in compliance with the investment objective and policy described below. The Allocation Basket will be executed by the Management Company subject to the provisions of Section "*Management Company constraints*" below.

INVESTMENT OBJECTIVE

The investment objective of the Sub-Fund is to reflect the Winton US Strategy (the "**Reference Strategy**"). The Reference Strategy is a long-only rules based algorithm based on a strategy developed and operated by Winton which seeks to outperform the S&P500 Net Total Return Index (USD) (the "**S&P 500 Index**") over a 5 year investment horizon.

The Sub-Fund is actively managed by investing in a diversified portfolio of equities.

Index used as a benchmark

The S&P 500 Index measures the performance of 500 of the largest (by market capitalization) US public companies listed on NYSE and/or NASDAQ. The S&P 500 Index represents a broad and diverse group of equities covering approximately 75 per cent of the total market capitalization of all publicly traded US equities.

Reference Strategy

The Investment Manager defines the Reference Strategy based on the application of rigorous scientific methods to the conception and deployment of investment strategies. There are four key areas of research conducted: 1) returns forecasting, 2) risk forecasting 3) portfolio construction, 4) cost control. The Investment Manager uses this research to develop proprietary, algorithmic trading strategies that are operated as an automated, computer-based system. This system, known as the Winton Investment System, is then implemented (with certain variations resulting from particular investment constraints) to create different investment programs. The Winton Equity Program is the equity-based, fully invested and long-only expression of the Winton Investment System (The "**Program**").

The Program's equity selection process is derived from algorithms, which are based on extensive research into the risk and expected return characteristics of the different equities within the investment universe (described below).The Program attempts to form a return prediction on each equity in the universe using fundamental and price-based predictive proprietary signals, and the interactions between them. The Program then builds a portfolio consisting of those equities with a higher probability of excess returns. The Program also forms a risk prediction on each equity in the investment universe using a proprietary risk model. Risk predictions are used to weight positions in a manner that is inversely proportional to their forecasted risk.

The investment system, from which the Program is derived, is modified over time as the Investment Manager monitors its operation and undertakes further research. Changes to the system occur as a result of, amongst other things, the discovery of new relationships, changes in market liquidity, the availability of new data or the reinterpretation of existing data. Most of the Sub-Fund's investments are made strictly in accordance with the output of the investment system. However, the Investment Manager may, on occasion (such as the occurrence of exceptional events that fall outside the parameters of the research on which the system is based), make investment decisions based on factors other than those that are programmed into the investment system (for example, fundamental factors or Investment Manager's judgment) and take action to override the output of the system to seek to protect the interests of its clients.

Universe of the Strategy

Investments are primarily selected from the US portions of underlying universes of two of the main global equity benchmarks, the S&P 1200 index and the MSCI World index. The Sub-Fund may also invest in equities that are not included in the S&P 1200 index and/or MSCI World index, provided they meet Winton's liquidity and data quality requirements, including a sufficiently long and consistent price history.

The Sub-Fund may also invest in equities of companies listed outside of the United States, such as Canada, provided they meet Winton data quality requirements, but such investments will represent a small portion of the investment portfolio and are not expected to exceed 10 per cent of the assets under management.

The Sub-Fund will invest in approximately 100 to 150 freely transferable equity primarily of issuers listed or traded on a regulated market. The Sub-Fund is diversified and therefore does not concentrate on any specific industrial sectors but rather will pursue a policy of active security selection in the markets in which it operates.

INVESTMENT POLICY

In order to achieve its investment objective, the Sub-Fund may invest in a diversified portfolio of equities and may also invest in financial derivatives instruments ("**FDI**") including futures transactions, swaps, hedging swap, forward contracts, non-deliverable forwards, spot foreign exchange transactions as well as depositary receipts or UCITS including Exchange Traded Funds, within the limits set forth under the Sub-Fund investment general restrictions and for reasons such as generating efficiencies in gaining exposure to the constituents of the Allocation Basket**.**

Management Company constraints

The Management Company may modify the Allocation Basket by using sampling techniques inside of the universe of financial instruments mentioned in the Allocation Basket due to liquidity constraints (including but not limited to liquidity filters, country exposure) as defined from time to time by the Management Company.

According to the above provision, the Management Company may have to execute within the Sub-Fund a sampled revised basket (the "**Revised Basket**"). When defining the composition of the Revised Basket, the Management Company shall use its reasonable endeavours to minimize the Strategy Tracking Error (as defined below) between the Allocation Basket and the Revised Basket.

This implies that the Sub-Fund's performance may potentially drift from the Reference Strategy's performance.

"**Strategy Tracking Error**" means the volatility of the difference between the return of the Revised Basket and the return of the Allocation Basket

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with the Appendix B of this Prospectus.

The Management Company may at its discretion make available the composition of the Sub-Fund holdings.

CLASSES OF SHARES

This Sub-Fund issues the following Classes of Shares: C-USD, D-USD, (see chapter IV. *INVESTING IN THE COMPANY ON THE PRIMARY MARKET A. THE SHARES*).

Notwithstanding the arrangements of chapter VII. DISTRIBUTION POLICY, dividends will be distributed for the D Shares on quarterly or yearly basis as may be decided from time to time by the Board of Directors.

The C Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the C Shares will be offered at the initial price of USD 100. Subsequent subscriptions will be dealt with at the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Reference Strategy is not available (these days not being Business Days). The minimum initial investment for the C Shares is of EUR 100,000 or the equivalent in another currency. The minimum subsequent subscription is of one (1) Share.

The D Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the D Shares will be offered at the initial price of USD 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Reference Strategy is not available (these days not being Business Days). The minimum initial investment for the D Shares is of EUR 100,000 or the equivalent in another currency. The minimum subsequent subscription is of one (1) Share.

RISK MANAGEMENT

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

IMPORTANT INFORMATION

Principal risks

Among the different risks described in "Appendix C – Special Risks Considerations and Risk Factors", the Sub-Fund is more specifically exposed to the following risks: Equity Risk, Capital at Risk, Counterparty Risk, Currency Risk, Risks in relation to the index or the reference strategy sampling replication.

Specific risks

- Additional risk that the Sub-Fund investment objective is only partially achieved
Notwithstanding anything mentioned in Appendix C with respect to the aforementioned risk, Shareholders should be aware that for each relevant Valuation Day, the exposure - and hence the performance - of the Sub-Fund may differ from the exposure - and hence the performance - of the Reference Strategy due to various factors, most notably (but not limited to):

- the aforementioned potential divergence resulting from the implementation of a Revised Basket rather than the Allocation Basket;
- the Revised Basket is not executed on the same market conditions than the Reference Strategy. As market dynamics shift over time, this may result in a difference of performance.

- Limitation of mathematical models
The Winton Reference Strategy is based on research into past data and the application of that research to the development of mathematical models that attempt to forecast returns, risk, correlation and transaction costs. Many of these models are trend-following models that attempt to identify and exploit market trends. Mathematical models are representations of reality but they may be incomplete and/or flawed and there is an inherent risk that any forecasts derived from them may be inaccurate, particularly if the research or models are based on, or incorporate, inaccurate assumptions or data. Assumptions or data may be inaccurate from the outset or may become inaccurate as a result of many factors such as changes in market structure, increased government intervention in markets or growth in assets managed in accordance with similar investment strategies. In particular, such factors may make these trend-following models less effective because they may lessen the prospect of identified trends occurring or continuing in the future. As a result of the foregoing, the Winton Investment System may not generate profitable trading signals and the Sub-Fund may suffer loss.

Crowding/Convergence
There is significant competition among quantitative investment managers and Winton's ability to deliver returns that have a low correlation with global aggregate equity markets and other market participants is dependent on the Winton's ability to employ an investment system that is simultaneously profitable and differentiated from those employed by other managers. To the extent that Winton is not able to develop a sufficiently differentiated investment system, the investment objective may not be met. The growth in assets managed in accordance with similar investment strategies may result in Winton and other market participants inadvertently buying and selling the same or similar investments simultaneously, which may reduce liquidity and exacerbate market moves. As a result, the Sub-Fund may suffer loss.

Process Exceptions
The Winton investment approach is based on mathematical models which are implemented as an automated computer-based investment system. Issues with the design, development, implementation, maintenance or operation of the Winton Investment System; any component of the Winton Investment System; or any processes and procedures related to the Winton Investment System (collectively, "**Process Exceptions**") may cause losses to the Sub-Fund and such losses may be substantial. Any losses or gains arising from Process Exceptions shall be for the account of the Sub-Fund (i.e., the Sub-Fund will bear any losses and will benefit from any gains) except for any losses that result directly from Winton gross negligence, wilful default, fraud or other applicable liability standard.

Process Exceptions may include, but are not limited to:

Programming Errors Winton may make programming errors in translating the mathematical models into computer code. In addition, as a mathematical model can be expressed in computer code in multiple ways, the choice of code ultimately used may not result in the best representation of the model.

Failure of Technology The Winton Investment System is reliant on proprietary and third party technology. Such technology may be adversely affected by many issues, some of which may be outside Winton control, including issues associated with network infrastructure, software updates, bugs, viruses and unauthorised access.

Incorporation of Data Winton may incorporate inaccurate data, or make errors in incorporating data, into the Winton Investment System. Process Exceptions may be extremely difficult to detect, may go undetected for long periods or may never be detected. The impact of such Process Exceptions may be compounded over time and may result in, among

other things, the execution of unanticipated trades, the failure to execute anticipated trades, the failure to properly allocate trades, the failure to properly gather and organise available data and/or the failure to take certain hedging or risk mitigating actions. Although Winton evaluates the materiality of any Process Exceptions which are detected, Winton may conclude that some are not material and may choose not to address them. Such judgements may prove not to be correct. Winton does not intend to disclose Process Exceptions to the Sub-Fund, except where required to do so.

- Trading Outside the Investment System
Most of Winton's investment decisions are made strictly in accordance with the output of the Winton Investment System but Winton may, in exceptional circumstances such as the occurrence of events that fall outside the input parameters of the system, make investment decisions based on other factors and take action to override the output of the system to seek to protect the interests of the Sub-Fund. However, system's signals may ultimately prove to be accurate and Winton action may not prevent losses to the Sub-Fund and may in fact cause or exacerbate losses.

- Risk of loss of Senior Personnel
The performance of the Winton Investment System is substantially dependent on the services of Winton senior professionals who are responsible for developing, monitoring and maintaining the system. In the event of the death, incapacity or departure of such professionals, the performance of the Winton Investment System may be adversely affected and the Sub-Fund may suffer losses.

- Specific risks linked to Global Depository Receipts (commonly known as "GDR"), and American Depositary Receipt (commonly known as "ADR"): Exposure to GDR and ADR may generate additional risks compared to a direct exposure to the corresponding underlying stocks, in particular, as the consequence of the intervention of the depositary bank issuing the GDR or ADR and the risk of non-segregation under applicable law of the depositary bank who hold the underlying stock as collateral and its own assets. Although segregation is an integral part of the depositary agreement regulating the issuance of the aforesaid ADRs and GDRs, there could be a risk that underlying shares would not be attributed to holders of ADRs and GDRs in case of bankruptcy of the depositary bank. In such case, the likeliest scenario would be the trading suspension and thereafter a freeze of the price of the ADRs and GDRs impacted by such bankruptcy event. Bankruptcy events in respect of the depositary banks issuing the GDRs and ADRs may negatively affect the performance and/or the liquidity of the Sub-Fund.

DISCLAIMER
Winton does not take any responsibility for the accuracy or completeness of the contents of these materials, any representations made herein, or the performance of the Sub-Fund Winton disclaims any liability for any direct, indirect, consequential or other losses or damages, including loss of profits, incurred by you or by any third party that may arise from any reliance on these materials. Winton is not responsible for, nor involved in, the marketing, distribution or sales of shares or interests in the Sub-Fund and is not responsible for compliance with any marketing or promotion laws, rules or regulations; and no third party is authorised to make any statement about any of Winton's products or services in connection with any such marketing, distribution or sales. Past performance by any other funds advised by Winton is not indicative of any future performance by the Sub-Fund.

F – DIVERSIFIED STRATEGY SUB-FUND

1 - Lyxor Index Fund – Lyxor Alpha Plus Fund

The Reference Currency is EUR.

Lyxor Asset Management S.A.S (the "**Investment Manager**") has been appointed as investment manager of the Sub-Fund pursuant to an investment management agreement concluded between the Management Company, the Company and the Investment Manager as may be amended from time to time.

The Investment Manager will be in charge of the portfolio management of the Sub-Fund and has been duly authorised to act such as by the Autorité des Marchés Financiers.

The Investment Manager has been incorporated on May 19, 1998 and has its registered office at 17, cours Valmy, Tours Société Générale, 98800 PUTEAUX (France).

Investment Objective

The investment objective of the Sub-Fund is to provide a capital appreciation over a medium to long term. The Sub-Fund is diversified by strategy and geographic focus by investing in UCITS that pursue alternative investment strategies.

For the avoidance of doubts, this investment objective will not be carried out via an Indirect Replication or via a Direct Replication as described in Part III of the Prospectus

Investment Policy

Principal Investment Strategy

The Sub-Fund seeks to achieve its investment objective by investing mainly in UCITS pursuing alternative strategies within the UCITS universe.

The Investment Manager team has developed a management process focused on strategic allocation and selection of funds based on both a top down approach (diversification among strategies) and a bottom up approach (selection of underlying UCITS of the UCITS universe that pursue alternative strategies).

The Sub-Fund may also invest up to 30% of its net assets in shares or units of other UCIs pursuing alternative strategies in accordance with article 41 e) of the Law as more fully described under Appendix A - *Investment Restrictions* above.

The Sub-Fund may also invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those referred to in 41 (2) of the Law.

The Sub-Fund may borrow funds in order to optimize its cash management policy within the conditions and limits described under the Appendix A - *Investment Restrictions* above.

Typical Investor's Profile

The Sub-Fund is suitable for investors who are willing to gain exposure to alternative strategies. The investors must be able to accept moderate temporary losses, thus the Sub-Fund is appropriate for investors who can afford to set aside the invested capital for at least 2 years. The Sub-Fund is designed for the investment objective of building up capital over the medium term.

Use of Derivatives or Other Investment Techniques and Instruments

The Sub-Fund may use derivatives including swaps and forwards for hedging, efficient portfolio management, or other risk management purposes, as described under the Appendix B – *Investment Techniques* above.
The Sub-Fund may further enter into swaps for investment purposes within the conditions and limits described under the Appendix A - *Investment Restrictions* above.

Risk Management

The global exposure of this Sub-Fund is calculated using the commitment approach as detailed in applicable laws and regulations, including but not limited to CSSF Circular 11/512.

The Management Company will implement a risk management process in order to spot, assess, manage and follow up the risks related to the Sub-Fund's investments together with their effects on the risks profile of the Sub-Fund. The

Management Company will monitor the consistency between the Sub-Fund's risks profile, the size and structure of the portfolio and the objective and strategy of the Sub-Fund, as stated in the Prospectus.

Defensive Strategies

Under certain exceptional market conditions, the Sub-Fund may invest a significant amount of its assets in cash and cash equivalents, including Money Market Instruments, if the Management Company and/or the Investment Manager believe that it would be in the best interest of the Sub-Fund and its Shareholders. When the Sub-Fund is pursuing a defensive strategy, it will not be pursuing its investment objective.

Risk linked to the Sub-Fund

Please refer to the relevant sections under ***Appendix C – Special Risks considerations and risk factors*** above for the following risks:

- Counterparty risk
- Risk on Investments in Emerging and Developing Markets
- Risk that the Sub-Fund's investment objective is only partially achieved

The other risks to the Sub-Fund, not mentioned in the Appendix C are:

Risk of Losses:

The investments and the positions held by the Sub-Fund are subject to (i) market fluctuations, (ii) reliability of counterparts and (iii) operational efficiency in the actual implementation of the strategy adopted by the Sub-Fund in order to realize such investments or take such positions. Consequently, the investments of the Sub-Fund are subject to, inter alia, market risks, credit exposure and operational risks.
At any time, the occurrence of any such risks, as well as any other adverse event having a negative impact on the value of the investments of the Sub-Fund, are likely to generate a significant depreciation in the value of the Shares.

Use of Efficient Portfolio Management Techniques and Derivatives:

The Sub-Fund may employ efficient portfolio management techniques relating to Transferable Securities and other financial liquid assets in order to increase or decrease their exposure to changing security prices, interest rates, currency exchange rates, commodity prices or other factors that affect security values and for hedging purposes. These techniques may include the use of forward currency exchange contracts, contracts for differences, futures and option contracts, swaps and other investment techniques.

Participation in the futures and option markets, in currency exchange or swap transactions involves investment risks and transactions costs to which the Sub-Funds would not be subject in the absence of the use of these strategies.

As contracts for differences are directly linked to the value of the underlying assets they will fluctuate depending on the market of the assets represented in the contracts for differences.

The principal risk when engaging in securities lending, repurchase or reverse repurchase transactions is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations to return securities or cash to the Company as required by the terms of the transaction. Counterparty risk is mitigated by the transfer or pledge of collateral in favour of the Company. However, securities lending, repurchase or reverse repurchase transactions may not be fully collateralised. Fees and returns due to the Company under securities lending, repurchase or reverse repurchase transactions may not be collateralised. In addition, the value of collateral may decline in between collateral rebalancing dates or may be incorrectly determined or monitored. In such a case, if a counterparty defaults, the Company may need to sell non-cash collateral received at prevailing market prices, thereby resulting in a loss to the Company.

The Company may also incur a loss in reinvesting cash collateral received. Such a loss may arise due to a decline in the value of the investments made. A decline in the value of such investments would reduce the amount of collateral available to be returned by the Company to the counterparty as required by the terms of the transaction. The Company would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Company.

Securities lending, repurchase or reverse repurchase transactions also entail operational risks such as the nonsettlement or delay in settlement of instructions and legal risks related to the documentation used in respect of such transactions.

The Sub-Fund may enter into securities lending, repurchase or reverse repurchase transactions with other companies in the same group of companies as the Management Company or the Investment Manager. Affiliated counterparties, if any, will perform their obligations under any securities lending, repurchase or reverse repurchase transactions concluded with the Sub-Fund in a commercially reasonable manner. In addition, the Management Company or the Investment Manager will select counterparties and enter into transactions in accordance with best execution and at all times in the best interests of the Sub-Fund and its investors. However, investors should be aware that the Management Company or the Investment Manager may face conflicts between its role and its own interests or that of affiliated counterparties.

The Company may use these techniques to adjust the risk and return characteristics of the Sub-Fund's investments. If the Management Company or the Investment Manager judge market conditions incorrectly or employ a strategy that does not correlate well with the Sub-Fund's investments, these techniques could result in a loss, regardless of whether the intent was to reduce risk or increase return. These techniques may increase the volatility of the Sub-Fund and may involve a small investment of cash relative to the magnitude of the risk assumed. In addition, these techniques could result in a loss if the counterparty of the transaction does not perform as promised. If engaging in swap transactions, the Sub-Fund is also exposed to a potential counterparty risk. In the case of insolvency or default of the swap counterparty, the Sub-Fund could suffer a loss.

There can be no assurance that the Management Company or the Investment Manager will be able to successfully hedge the Sub-Fund or that the Sub-Fund will achieve its investment objectives.

Investment in units or shares of UCIs or UCITS:

Investments in the Sub-Fund may involve a number of significant risk factors directly or indirectly due to the fact that this Sub-Fund may invest in other UCIs or UCITS (the "**Underlying Funds**"). Potential investors and more generally any and all persons interested in or relying on the performance of this Sub-Fund should be aware that such performance will depend to a considerable extent on the performance of the Underlying Funds in which the Sub-Fund may invest.

When investing in units/shares of the Sub-Fund of the Company which in turn may invest in other Underlying Funds, the investors are subject to the risk of duplication of fees and commissions. Whether or not profitable most Underlying Funds in which the Sub-Fund may invest are required to pay a flat management fee and incentive or performance fees. Such fees will be paid by the Sub-Fund as an investor in such Underlying Funds in addition to any other fees that may be otherwise paid out of the assets of the Fund, except that if the Sub-Fund invests in other Underlying Funds managed by the Management Company or sponsored by the promoter of the Company, the Sub-Fund will not be charged any subscription and redemption fees with respect to such investment.

Risk linked to investments in alternative investment strategies:

The Sub-Fund may invest in Underlying Funds pursuing alternative investment strategies which may in particular expose such Sub-Funds to the following risk factors:

- *Illiquidity:*

Some Underlying Funds in which the Sub-Fund may invest may have certain restrictions on liquidity. Difficulties which Underlying Funds may encounter in liquidating their investments may result (i) in delays in the calculation of net asset values and/or in the payment of any redemption proceeds and/or (ii) in the suspension of the calculation of net asset values. In addition, significant differences may be observed between the net asset value published immediately before such a suspension or interruption and the net asset value published immediately after such suspension or interruption has ceased.

- *Valuation risk:*

Some Underlying Funds may invest in financial instruments and securities that may not be actively traded and there may be uncertainties involved in the valuation of such investments. Investors should note that under such circumstances, the net asset value of the relevant Underlying Funds, and consequently the Net Asset Value per Share of the Sub-Fund, may be adversely affected.

- *Counterparty Risk in Underlying Funds:*

Some Underlying Funds may enter into swap, repurchase, lending or other OTC transactions with an unregulated or lightly regulated counterparty. In the event of bankruptcy or, more generally, default of any counterparties of the Underlying Funds with respect to such transaction, the Underlying Funds may be unable to recover their funds and could incur substantial losses. Underlying Funds are additionally subject to the risk of the inability or refusal by a counterparty to perform with respects to such transactions.

- *High Brokerage and Other Transactional Expenses:*

The Underlying Funds' activities may at times involve a high level of trading (including significant short-term trades) resulting in very high portfolio turnover that may generate substantial transaction costs. These costs will be borne by the

Underlying Funds regardless of its profitability. The expenses of the Underlying Funds may be greater than the total fees charged in other comparable investment vehicles.

Clearing and Settlement:

Transactions entered into by the Sub-Fund may be executed on various U.S. and non-U.S. exchanges,and may be cleared and settled through various clearinghouses, custodians, depositories, brokers, and dealers throughout the world. Although the Sub-Fund will attempt to execute, clear, and settle transactions through entities that the Management Company or the Investment Manager believes to be sound, there can be no assurance that a failure by any such entity will not lead to a loss to the Sub-Fund.

Foreign Exchange/Currency Risk:

Although Shares of the class of the Sub-Fund may be denominated in EUR, the Sub-Fund may invest the assets related to a class of Shares in securities denominated in a wide range of other currencies. The Net Asset Value of the relevant class of Shares of the Sub-Fund as expressed in the Reference Currency will consequently fluctuate in accordance with the changes in foreign exchange rate between the Reference Currency and the currencies in which the Sub-Funds' investments are denominated.

The Sub-Fund may therefore be exposed to a foreign exchange/currency risk. It may be not be possible or practicable to hedge against the consequent foreign exchange/currency risk exposure.

The Management Company or the Investment Manager may enter into currency transactions within the limits described under **Appendix A – *Investment Restrictions*** above.

Changes in Applicable Law:

The Sub-Fund must comply with various legal requirements, including securities laws and tax laws as imposed by the jurisdictions under which it operates. Should any of those laws change over the life of the Sub-Fund, the legal requirement to which the Sub-Fund and its Shareholders may be subject could differ materially from current requirements.

Volatility:

Investors should be aware that the Sub-Fund Net Asset Value can be very volatile and consequently that they may experience substantial changes in the value of their investment. This volatility is expected to magnify the potential for depreciation, as well as appreciation, in the Sub-Fund Net Asset Value.

Lack of Operating History:

The Sub-Fund is newly formed and as such has no operating history. Past performance of the Management Company and/ or the Investment Manager cannot be construed as an indication of the future results of an investment in the Sub-Fund.

Lack of Diversification:

The Sub-Fund may implement an investment strategy that is concentrated in a limited number of Underlying Funds and/or strategies. In such cases, the Sub-Fund will be exposed to losses which could be disproportionate relative to market declines if, in general, there are disproportionately greater adverse price movements in such Underlying Funds and/or strategies. In addition, the Sub-Fund will be highly dependent with respect to its performance upon the expertise and abilities of a limited number of manager(s) and or trading advisors.

Accumulation fees and expenses:

Whether or not the Sub-Fund is profitable and whether or not Shares of any given Class experience appreciation in value or not, the Sub-Fund is required to pay fees and expenses. These expenses and fees will affect the performance of Shares.

Moreover, the Underlying Funds, in which assets of the Sub-Fund may be invested, each pay to its relevant manager, investment manager, trading advisor and other fund service providers (including the Management Company, the Investment Manager or one of its affiliates for investments of the Sub-Fund made in Underlying Funds established by the Management Company, the Investment Manager or one of its affiliates) certain fees, expenses and commissions in relation to their duties in relation to the Underlying Funds (including fees on the redemption and purchase of shares in the Underlying Funds) which fees, expenses and commissions are in addition to the fees and expenses payable by the Sub-Fund.

Conflicts of Interests:

The Investment Manager may cause the Sub-Fund to invest in Underlying Funds affiliated with the Management Company or/and the Investment Manager and its affiliates or in Underlying Funds for which the Management Company or/and the Investment Manager or an affiliate acts as sponsor, investment advisor or provide other services or which may pay fees to the Management Company, the Investment Manager or an affiliate. The Sub-Fund may also use affiliates of the Management Company or/and the Investment Manager as broker for transactions on behalf of the Sub-Fund or other Underlying Funds in which it invests. Although the Management Company and the Investment Manager has agreed to use its best efforts in managing the Sub-Fund, the Management Company, the Investment Manager, its principals and its affiliates are not required to devote full time or any material proportion of their time to the Sub-Fund. The Management Company, Investment Manager and its affiliates may also provide services similar to those provided to the Sub-Fund to other Underlying Funds with similar objectives.

Where conflicts of interest cannot be avoided and there exists a risk of damage to Shareholders' interests, the Investment Manager shall inform investors of the general nature or causes of the conflicts of interest and develop appropriate policies and procedures in order to mitigate such conflicts while ensuring equal treatment between investors and ensuring that the Sub-Fund is treated in an equitable manner. Such information will be disclosed on the following website: client-services@lyxor.com. The Investment Manager may affect transactions in which the Management Company, the Investment Manager and/or companies of their groups have, directly or indirectly, an interest.

Shareholders should be aware that management of conflicts of interest can lead to a loss of investment opportunity or to the Management Company and the Investment Manager having to act differently than the way it would have acted in the absence of the conflict of interest. This may have a negative impact on the performance of the Company and its Sub-Funds.

Inadvertent Concentration:

It is possible that a number of Underlying Funds managers might take substantial positions in the same security at the same time. This inadvertent concentration would interfere with the Sub-Fund's goal of diversification. The Sub-Fund will attempt to alleviate such inadvertent concentration as part of its regular monitoring and reallocation process. Conversely, the Sub-Fund may at any given time, hold opposite exposures, such exposures being taken by different Underlying Funds managers. Each such exposure shall result in transaction fees for the Sub-Fund without necessarily resulting in either a loss or a gain. Finally, no guarantee can be given that choosing a certain number of Underlying Funds managers shall be more profitable than selecting a single Underlying Fund manager. Moreover, the Sub-Fund may proceed to a reallocation of assets between Underlying Funds managers and liquidate investments made by the intermediary of one or several of them. Finally, the Sub-Fund may also, at any time, select additional Underlying Funds managers. Such assets reallocations may impact negatively the performance of one or several of the Underlying Funds managers.

Risks associated with a diversified portfolio of Underlying Funds:

In order to diversify among trading methods and markets, the Sub-Fund will invest in a number of Underlying Funds, each of which invests independently of the others. Although this diversification is intended to offset losses, there can be no assurance that this strategy will not result overall in losses. In addition, some Underlying Funds may at times hold economically offsetting positions. Each such position could cause the Sub-Fund transactional expenses or fees while not generating as a whole any gain or loss. Finally, in accordance with the Investment Policy, the Sub-Fund may reallocate its assets among Underlying Funds at any time. Any such reallocation could ultimately prove to adversely affect the performance of the Sub-Fund or of any one Underlying Funds.

This Section should be considered carefully, and read in conjunction with the Appendix C - *Special Risks considerations and risk* of this Prospectus, but is not meant to be an exhaustive listing of all potential risks associated with an investment in the Sub-Fund. When considering investing in the Sub-Fund, any potential investor should bear in mind that the Net Asset Value of the Sub-Fund may decline abruptly and should be prepared to sustain a total loss of their investment in the Sub-Fund.

Characteristics of the Share classes

Share Class	Max Management Fee	Max Performance Fee	Minimum Incremental Investment	Minimum Holding[1]
IE-D	0.35%	5%	5,000,000 EUR	20,000,000 EUR

[1] Excluding impact performance

Dividend Policy

Notwithstanding the provision of section VII, the Company intends to declare a dividend out of the net income and net realized capital gains, if any, of the Sub-Fund attributable to Class IE-D, on or about the last day of January each year. Any such dividend will be paid to the Shareholders of record of the Sub-Fund within ten (10) Business Days. Each dividend declared by the Company on the outstanding Shares of the Sub-Fund will be paid in cash.

Upon the declaration of any dividends to the holders of Shares of the Sub-Fund, the Net Asset Value per Share of the relevant Class of the Sub-Fund will be reduced by the amount of such dividends. Payment of the dividends will be made to the address or account indicated on the register of Shareholders.

Management Fee

The Management Fee is paid to the Management Company. It will be calculated and accrued weekly based on the weekly Net Asset Value of the Shares and will be paid monthly in arrears. The maximum flat management fees of other UCIs or UCITS in which the Sub-Fund may invest shall not exceed 2.00% (excluding, for the avoidance of doubt, any incentive or performance fees or other fees otherwise paid out of the assets of such other UCIs or UCITS).

Performance Fee

The Sub-Fund shall pay to the Management Company out of the assets of the relevant Class a Performance Fee calculated in accordance with the principles of the high water mark mechanism and equal to 5% multiplied by the relevant Class Net New Profits.

The Performance Fee is calculated and accrued on every Valuation Day for each Class of the Sub-Fund and payable in EUR at the end of each Class Performance Period.

In this section:

- "**Class Net New Profits**" means for any Class Performance Period, the maximum between zero (0) and the cumulative net realised and unrealised appreciation of the Net Asset Value of the relevant Class over the hurdle rate (the "**Hurdle Rate**") as specified below, less any Management Fee and Performance Fee in respect of such Class payable to the Management Company, minus the applicable Class Loss Carryforward.

- "**Class Performance Period**" means each year period ending on the last Valuation Day of January except for the first Class Performance Period which shall start on the day where the first subscription occurs for that Class and end on the last Valuation Day of January 2017.

- "**Class Loss Carryforward**" means net realised and unrealised losses applied to the Net Asset Value of the relevant Class since the end of the last Class Performance Period for which a Performance Fee was payable in respect of that Class, and that have not been offset by the relevant Class Net New Profits in the current Class Performance Period.

- "**Hurdle Rate**" means 3-month Euribor.

Investors should note that the Sub-Fund does not perform equalization or issue series units for the purposes of determining the Performance Fee. The use of equalization or issue of series units ensures that the Performance Fee payable by an investor is directly referable to the specific performance of such individual investor's shareholding in the relevant Class of the Sub-Fund. The current methodology for calculating the Performance Fee as set out above involves adjusting the Net Asset Value of the relevant Class of any provision for accrual for the Performance Fee on each Valuation Day during the Class Performance Period. Investors may therefore be advantaged or disadvantaged as a result of this method of calculation, depending upon the Net Asset Value of the relevant Class at the time an investor subscribes or redeems relative to the overall performance of the relevant Class of the Sub-Fund during the relevant Class Performance Period and the timing of subscriptions and redemptions to such Class during the course of such Class Performance Period.

In the event that a Shareholder redeems Shares on a date other than the last Valuation Day of January of a given year, any Performance Fee attributable to the Shares redeemed will be deducted from the redemption proceeds with respect to such Shares redeemed as if the date of Redemption were the last Valuation Day of January of such year.

Potential investors and Shareholders should fully understand the high water mark mechanism when considering an investment in Shares.

The Administrator, the Registrar Agent and the Depositary Bank Fees

Notwithstanding the provision of section "*Fees, Expenses and Taxation – Other Fees and Expenses"*, the Administrator, the Registrar Agent, the Auditors and the Depositary Bank shall be entitled to receive out of the assets of the Sub-Fund an aggregated fees of up to 0.10 % per annum of the Net Asset Value of the Sub-Fund, as computed in respect of each Valuation Day, and payable on dates respectively agreed with the Administrator, the Registrar and Transfer Agent, the Auditors and the Depositary Bank.

The Management Company may pay some or all of such fees at its discretion.

Specificities on Subscriptions and Redemption of Shares:

"**Business Day**" means any day, other than a Saturday or Sunday, on which banks are open for full banking business in Luxembourg and Paris, and any other day as may be determined from time to time by the Management Company.

Notwithstanding the provision of the Section IV "*investing in the company on the primary market*" of the Prospectus, if the aggregate value of the redemption and conversion requests received by the Registrar Agent for a given Valuation Day corresponds to more than 20% of the net assets of the Sub-Fund and under exceptional market conditions, the Sub-Fund may defer part or all of such redemption and conversion requests for such period as it considers to be in the best interest of the Sub-Fund and its Shareholders. Any deferred redemption and conversion shall be treated as a priority to any further redemption and conversion requests received on any following redemption date.

Only subscriptions in amount will be accepted.

Launch date

The Sub-Fund will be launched on or about 30 May 2016.

G – LEVERAGE AND INVERSE STRATEGIES

1 – Lyxor Index Fund – Lyxor BTP Daily Short UCITS ETF

The Reference Currency of the Sub-Fund is the EUR.

Investment Objective

The investment objective of **Lyxor Index Fund - Lyxor BTP Daily Short UCITS ETF** (the "Sub-Fund") is to reflect the performance of the "SGI Short x1 Euro BTP Futures Index" (the "Benchmark Index") denominated in Euro (EUR) in order to offer an inverse exposure with daily 1x leverage to the performance of the Italian long-term sovereign bonds having a maturity between 8.5 and 11 years ("BTP") and for which Long-Term Euros-BTP Futures is a representative indicator – while minimizing the volatility of the difference between the return of the Sub-Fund and the return of the Benchmark Index (the "Tracking Error").

The anticipated level of the tracking error under normal market conditions is expected to be 0.02 %.

The Benchmark Index

The Benchmark Index is the SGI Short x1 Euro BTP Futures Index, denominated in Euros.

The Benchmark Index is a strategy index developed by Société Générale's research staff using a proprietary methodology. It is calculated and maintained by Solactive.

The Benchmark Index provides inverse exposure, with daily 1x leverage, to positive and negative movements in Italian long-term sovereign bonds, for which Long-Term Euros-BTP Futures is a representative indicator. Accordingly, if Long-Term Euros-BTP Futures falls on a given day, the Sub-Fund's net asset value will rise that day by the amount. On the contrary, if the Long-Term Euros-BTP Futures rises, the Sub-Fund's net asset value will fall that day by the amount and unit-holders will not benefit from gains in the Long-Term Euros-BTP Futures.

Long-Term Euros-BTP Futures are a representative indicator of Italian long-term sovereign bonds with a notional coupon of 6 %, having a residual maturity of 8.5 to 11 years and an initial maturity of no longer than 16 years. Long-Term Euros-BTP Futures are listed on Eurex and their methodology and underlying bonds are available on www.eurexchange.com, on the "Long-Term Euro-BTP Futures" product page, section "Trading" (sub-section "Deliverable Bonds" regarding the information on the underlying bonds).

The Benchmark Index's daily performance is the inverse performance of Long-Term Euros-BTP Futures, plus the daily interest (at the EONIA rate) paid on the previous day's Benchmark Index 5:40 pm fixing in Euros.

The Benchmark Index therefore represents a short position on Long-Term Euros-BTP Futures with 1x leverage and daily rebalancing.

The performance reflected is the Benchmark Index 5.40pm fixing in Euros.

Since the methodology used to calculate the Benchmark Index is not based on direct investment in BTP bonds but on indirect investment in futures, the Sub-Fund's performance will be affected by the cost of 'rolling over' positions on these futures contracts every quarter.

Over time, this could significantly diminish the performance in comparison with the gross performance of the short positions on the underlying of the aforementioned futures contracts, particularly in the case of a long-term investment in the Sub-Fund's shares.

A full description of the Benchmark Index and its construction methodology and information on its composition are available on the Internet at https://www.sgindex.fr/.

The Benchmark Index is calculated daily at the official Long-Term Euros-BTP futures fixing price at 5:40pm.
The Benchmark Index is also calculated in real time every stock exchange trading day.

The Benchmark Index is available through Reuters and Bloomberg.

Publication of the Benchmark Index

The Benchmark Index is available in real time via Reuters and Bloomberg.

Via Reuters: SGIXIKS1

Via Bloomberg: SGIXIKS1

The Benchmark Index's closing price is available on the Internet at https://sgi.sgmarkets.com/fr/

Benchmark Index composition and revision

The composition of the Benchmark Index is revised quarterly.

A full description and the complete methodology for the construction of the Benchmark Index and information on the composition and respective weightings of the Benchmark Index are available on the website: https://www.sgindex.fr/.

The rebalancing frequency as described above will have no impact in terms of costs in the context of the performance of the investment objective.

Investment Policy

The Sub-Fund will carry out its investment objective via an Indirect Replication as described in the present Prospectus.

For the avoidance of doubt, any collateral received by the Sub-Fund is posted outright on the account of the Sub-Fund open in the Depositary Bank's books. As such, collateral received will be recorded on the Sub-Fund assets. In case of counterparty default, the Sub-Fund can dispose of the assets received from the defaulting counterparty in order to extinguish the debt of this counterparty vis-a-vis the Sub-Fund under the guaranteed transaction.

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with the Appendix B of this Prospectus.

Classes of Shares

This Sub-Fund issues the following Classes of Shares: C-EUR, D-EUR, Monthly Hedged C-USD, Monthly Hedged D-USD, Monthly Hedged C-GBP, Monthly Hedged D-GBP, Monthly Hedged C-CHF, Monthly Hedged D-CHF (see hereafter chapter IV *INVESTING IN THE COMPANY A. THE SHARES*).

Investors' attention is drawn to the fact that this Sub-Fund is an UCITS ETF listed on several stock exchanges. For further information on the Classes of Shares available for this Sub-Fund, investors should refer to the table entitled *Appendix E - Summary Table of Shares* issued by the Company detailing their characteristics.

The C-EUR and D-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the C-EUR and D-EUR Shares will be offered at the initial price of EUR 50. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Benchmark Index is not available (these days not being Business Days). The minimum initial investment for the C-EUR and D-EUR Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-USD and Monthly Hedged D-USD Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-USD and Monthly Hedged D-USD Shares will be offered at the initial price of USD 50. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Benchmark Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C-USD and Monthly Hedged D-USD Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-GBP and Monthly Hedged D-GBP Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-GBP and Monthly Hedged D-GBP Shares will be offered at the initial price of GBP 50. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Benchmark Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C-GBP and Monthly Hedged D-GBP Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-CHF and Monthly Hedged D-CHF Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-CHF and Monthly Hedged D-CHF Shares will be offered at the initial price of CHF 50. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Benchmark Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C-CHF and Monthly Hedged D-CHF Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

Principal risks

Among the different risks described in *Appendix C – Special Risks Considerations and Risk Factors*, the Sub-Fund is more specifically exposed to the following risks: Credit Risk, Capital at Risk, Counterparty Risk, Risk of using financial derivative instruments, Currency Risk, Currency Hedge Risk applicable to the Monthly Hedged share classes, Interest Rate Risk, Low Diversification Risk, Liquidity Risk on Secondary Market, Sub-Fund Liquidity Risk, Risk that the Sub-Fund's investment objective is only partially achieved.

Other risks are:

Futures roll-over risk

Since the Benchmark Index is not based on direct investment in BTP but on indirect investment in futures contracts on Italian long-term government bonds, maintaining this exposure requires that positions on these contracts be rolled over from one quarter to the next. This 'roll-over' involves transferring the position on a futures contract that is about to mature (and in any case before the contract expires) to a futures contract with a longer maturity. When futures contracts are rolled over investors may be exposed to a potential loss or gain. In some market configurations quarterly roll-over could systematically generate a loss an d thus over time significantly diminish the Fund's performance in comparison with the performance of the short positions on the aforementioned futures contracts.

Daily leverage adjustment risk

Investors are inversely exposed to the daily changes affecting the price or level of the underlying. The daily reset of the Benchmark Index implies that for a period of more than one trading day (a "Period"), the total performance of the Benchmark Index may not be equal to inverse of the underlying's performance.

For example in scenario 1 below, if the underlying increases by 6% for one given day, then decreases by 5% the next day, after these 2 days, the underlying will have increased by 0.7% over the Period, whereas the Benchmark Index will have decreased by 1.3% (before deductible fees) over the same Period.

For example in scenario 2 below, if the underlying increases by 4% for one given day then increases by 10% the next day, the total increase of the underlying over the Period would be 14.4%, while the Benchmark Index will have decreased (before deductable fees) of -13.6% over the same Period.

For example in scenario 3 below, this mechanism could lead to a negative performance of the Benchmark Index of 0.1% over the Period, while the underlying is posting a negative performance of 2.1% over the same Period.

Scenario 1 Case where the underlying has a positive performance over a Period and the implied leverage is – in absolute – higher than (x-1)

	Underlying		Benchmark Index		
	performance day i	value day i	performance day i	value day i	Implied leverage
		100		100	
day 1	6%	106	-6%	94	x-1
day 2	-5%	100.7	5%	98.7	x-1
Period	0.7%		-1.3%		x-1.9

Scenario 2 Case where the underlying has a positive performance over a Period and the implied leverage is – in absolute – smaller than (x-1)

	Underlying		Benchmark Index		
	performance day i	value day i	performance day i	value day i	Implied leverage
		100		100	
Day 1	4%	104	-4%	96	x-1
Day 2	10%	114.4	-10%	86.4	x-1
Period	14.4%		-13.6%		x-0.94

Scenario 3 Case where the implied leverage is positive over the period

	Underlying		Benchmark Index		
	performance day i	value day i	performance day i	value day i	Implied leverage
		100		100	
Day 1	10%	110	-10%	90	x-1
Day 2	-11%	97.9	11%	99.9	x-1
Overall period	-2.1%		-0.1%		x0.05

Risk Management

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

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The Fund does not benefit in any manner whatsoever from the sponsorship, support or promotion of Société Générale Index (SGI), which is a registered trademark of the Société Générale group (hereinafter the “Holder"). The Holder makes no warranty, guarantee or commitment, whether express or implied, as to the income to be obtained from using the Benchmark Index and/or the level that the Benchmark Index may reach at any given time or of any other type. The Holder shall not be liable, to anyone whomsoever, for any error that affects the Benchmark Index and shall have no obligation to inform anyone whomsoever of any error that may affect the Benchmark Index. The Benchmark Index is the sole property of Société Générale. Société Générale has signed a contract with Solactive, under the terms of which Solactive undertakes to calculate and maintain the Benchmark Index. However, Solactive may not be held liable in the event of an error or omission in the calculation of the Benchmark Index.

2 – Lyxor Index Fund – Lyxor Bund Daily Short UCITS ETF

The Reference Currency of the Sub-Fund is the EUR.

Investment Objective

The investment objective of Lyxor Index Fund - Lyxor Bund Daily Short UCITS ETF (the “Sub-Fund”) is to reflect the performance of the “SGI Short x1 Euro Bund Futures Index” (the "Benchmark Index") denominated in Euro (EUR) in order to offer an inverse exposure with daily 1x leverage to the performance of the German sovereign bonds having an average maturity of 10 years (“Bunds”) and for which Euro-Bund Futures are a representative indicator – while minimizing the volatility of the difference between the return of the Sub-Fund and the return of the Benchmark Index (the “Tracking Error”).

The anticipated level of the tracking error under normal market conditions is expected to be 0. 02 %.

The Benchmark Index

The Benchmark Index is the SGI Short x1 Euro Bund Futures Index, denominated in Euros.

The Benchmark Index is a strategy index developed by Société Générale’s research staff using a proprietary methodology. It is calculated and maintained by Solactive.

The Benchmark Index provides inverse exposure, with daily 1x leverage, to positive and negative movements in German Government bonds having an average maturity of 10 years and a notional coupon of 6 %, for which Euro-Bund Futures is a representative indicator. Accordingly, if Euro-Bund Futures falls on a given day, the Sub-Fund's net asset value will rise that day by the amount. On the contrary if Euro-Bund Futures rises, the Sub-Fund's net asset value will fall that day by the amount and unit-holders will not benefit from Euro-Bund Futures rise.

Euro-Bund Futures are a representative indicator of 10-Year German Government bonds and are listed on Eurex, whose methodology and underlying bonds are is available at www.eurexchange.com, on the “Euro-Bund Futures (FGBL)” product page, section “Trading” (sub-section “Deliverable Bonds” regarding the information on the underlying bonds).

The Benchmark Index’s daily performance is the inverse performance of Euro-Bund Futures, plus the interest (at the EONIA rate) paid daily on the previous day's Benchmark Index 5.40 pm fixing in Euros.

The Benchmark Index therefore represents a short strategy on the Euro-Bund Futures with 1x leverage and daily rebalancing.

A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at https://www.sgindex.fr/.

The Benchmark Index is calculated daily using the official 5:40 pm fixing for Euro-Bund Futures.

The Benchmark Index is also calculated in real time every stock exchange trading day.

The performance reflected is that of the Benchmark Index's closing price.

Publication of the Benchmark Index

The Benchmark Index is available in real time via Reuters and Bloomberg.

Via Reuters: SGIXRXS1

Via Bloomberg: SGIXRXS1

The Benchmark Index’s closing price is available on the Internet at https://sgi.sgmarkets.com/fr/

Benchmark Index composition and revision

The composition of the Benchmark Index is revised quarterly.

A full description and the complete methodology for the construction of the Benchmark Index and information on the composition and respective weightings of the Benchmark Index are available on the website: https://www.sgindex.fr/.

The rebalancing frequency as described above will have no impact in terms of costs in the context of the performance of the investment objective.

Investment Policy

The Sub-Fund will carry out its investment objective via an Indirect Replication as described in the present Prospectus.

For the avoidance of doubt, any collateral received by the Sub-Fund is posted outright on the account of the Sub-Fund open in the Depositary Bank's books. As such, collateral received will be recorded on the Sub-Fund assets. In case of counterparty default, the Sub-Fund can dispose of the assets received from the defaulting counterparty in order to extinguish the debt of this counterparty vis-a-vis the Sub-Fund under the guaranteed transaction.

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with the Appendix B of this Prospectus.

Classes of Shares

This Sub-Fund issues the following Classes of Shares: C-EUR, D-EUR, Monthly Hedged C-USD, Monthly Hedged D-USD, Monthly Hedged C-GBP, Monthly Hedged D-GBP, Monthly Hedged C-CHF, Monthly Hedged D-CHF (see hereafter chapter IV *INVESTING IN THE COMPANY A. THE SHARES).*

Investors' attention is drawn to the fact that this Sub-Fund is an UCITS ETF listed on several stock exchanges. For further information on the Classes of Shares available for this Sub-Fund, investors should refer to the table entitled *Appendix E - Summary Table of Shares* issued by the Company detailing their characteristics.

The C-EUR and D-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the C-EUR and D-EUR Shares will be offered at the initial price of EUR 50. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Benchmark Index is not available (these days not being Business Days). The minimum initial investment for the C-EUR and D-EUR Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-USD and Monthly Hedged D-USD Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-USD and Monthly Hedged D-USD Shares will be offered at the initial price of USD 50. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Benchmark Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C-USD and Monthly Hedged D-USD Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-GBP and Monthly Hedged D-GBP Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-GBP and Monthly Hedged D-GBP Shares will be offered at the initial price of GBP 50. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Benchmark Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C-GBP and Monthly Hedged D-GBP Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-CHF and Monthly Hedged D-CHF Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-CHF and Monthly Hedged D-CHF Shares will be offered at the initial price of CHF 50. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Benchmark Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C-CHF and Monthly Hedged D-CHF Shares is of

EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

Principal risks

Among the different risks described in *Appendix C – Special Risks Considerations and Risk Factors*, the Sub-Fund is more specifically exposed to the following risks: Credit Risk, Capital at Risk, Counterparty Risk, Risk of using financial derivative instruments, Currency Risk, Currency Hedge Risk applicable to the Monthly Hedged share classes, Interest Rate Risk, Low Diversification Risk Liquidity Risk on Secondary Market, Sub-Fund Liquidity Risk, Risk that the Sub-Fund's investment objective is only partially achieved.

Other risks are:

Futures roll-over risk

Since the Benchmark Index is not based on direct investment in Bunds but on indirect investment in German government bonds, maintaining this exposure requires that positions on these contracts be rolled over from one quarter to the next. This 'roll-over' involves transferring the position on a futures contract that is about to mature (and in any case before the contract expires) to a futures contract with a longer maturity. When futures contracts are rolled over investors may be exposed to a potential loss or gain. In some market configurations quarterly roll-over could systematically generate a loss and thus over time significantly diminish the Fund's performance in comparison with the performance of the short positions on the aforementioned futures contracts.

Daily leverage adjustment risk

Investors are inversely exposed to the daily changes affecting the price or level of the underlying. The daily reset of the Benchmark Index implies that for a period of more than one trading day (a "Period"), the total performance of the Benchmark Index may not be equal to inverse of the underlying's performance.

For example in scenario 1 below, if the underlying increases by 6% for one given day, then decreases by 5% the next day, after these 2 days, the underlying will have increased by 0.7% over the Period, whereas the Benchmark Index will have decreased by 1.3% (before deductible fees) over the same Period.

For example in scenario 2 below, if the underlying increases by 4% for one given day then increases by 10% the next day, the total increase of the underlying over the Period would be 14.4%, while the Benchmark Index will have decreased (before deductable fees) of -13.6% over the same Period.

For example in scenario 3 below, this mechanism could lead to a negative performance of the Benchmark Index of 0.1% over the Period, while the underlying is posting a negative performance of 2.1% over the same Period

Scenario 1 — Case where the underlying has a positive performance over a Period and the implied leverage is – in absolute – higher than (x-1)

	Underlying		Benchmark Index		
	performance day i	value day i	performance day i	value day i	Implied leverage
		100		100	
day 1	6%	106	-6%	94	x-1
day 2	-5%	100.7	5%	98.7	x-1
Period	0.7%		-1.3%		x-1.9

Scenario 2 Case where the underlying has a positive performance over a Period and the implied leverage is – in absolute – smaller than (x-1)

	Underlying		Benchmark Index		
	performance day i	value day i	performance day i	value day i	Implied leverage
		100		100	
Day 1	4%	104	-4%	96	x-1
Day 2	10%	114.4	-10%	86.4	x-1
Period	14.4%		-13.6%		x-0.94

Scenario 3 Case where the implied leverage is positive over the period

	Underlying		Benchmark Index		
	performance day i	value day i	performance day i	value day i	Implied leverage
		100		100	
Day 1	10%	110	-10%	90	x-1
Day 2	-11%	97.9	11%	99.9	x-1
Overall period	-2.1%		-0.1%		x0.05

Risk Management

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

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3 - Lyxor Index Fund – Lyxor 10Y US Treasury Daily Short UCITS ETF

The Reference Currency of the Sub-Fund is the USD.

Investment Objective

The investment objective of **Lyxor Index Fund – Lyxor 10Y US Treasury Daily Short UCITS ETF** (the "Sub-Fund") is to reflect the performance of the SGI Short x1 10Y U.S. Treasury Note Futures Index (the "Benchmark Index") denominated in US Dollar (USD) in order to offer an inverse exposure with daily 1x leverage to the performance of marketable debt securities issued by the U.S. government (the "**US Treasury Notes**") having a maturity between 6.5 and 10 years and for which CBOT 10-Year US T-Note futures are a representative indicator while minimizing the volatility of the difference between the return of the Sub-Fund and the return of the Benchmark Index (the "Tracking Error").

The anticipated level of the tracking error under normal market conditions is expected to be 0.02 %.

The Benchmark Index

The Benchmark Index is the SGI Short x1 10Y U.S. Treasury Note Futures Index, denominated in US Dollar.

The Benchmark Index is a strategy index developed by Société Générale's research staff using a proprietary methodology. It is calculated and maintained by Solactive.

The Benchmark Index provides inverse exposure, with daily 1x leverage, to positive and negative movements in US Treasury Notes having a remaining term to maturity between 6.5 and 10 years and for which CBOT 10-Year US T-Note futures are a representative indicator. Accordingly, if CBOT 10-Year US T-Note futures falls on a given day, the Sub-Fund's net asset value will rise that day by the amount. On the contrary, whereas if the CBOT 10-Year US T-Note futures rises, the Sub-Fund's net asset value will fall that day by the amount and shareholders will not benefit from gains in the CBOT 10-Year US T-Note futures.

CBOT 10-Year US T-Note futures are a representative indicator of US Treasury Notes having a remaining term to maturity between 6.5 and 10 years. CBOT 10-Year US T-Note futures are listed on CBOT and their methodology is available on http://www.cmegroup.com/ on the "10-Y T-Note Futures" product page (and, regarding the information on the underlying bonds, on the "Interest Rates" product page, section "Treasury Conversion Factors" in interest rate tools, sub-section "10-year U.S. Treasury Note futures contract" in the file)

The Benchmark Index's daily performance is the inverse performance of CBOT 10-Year US T-Note futures, plus the daily interest (at the Federal Funds rate) paid on the previous day's CBOT 10-Year US T-Note futures price at 5:30 pm in USD (Frankfurt time).

The Benchmark Index therefore represents a short position on CBOT 10-Year US T-Note futures with 1x leverage and daily rebalancing.

The performance reflected is the Benchmark Index 5.30pm (Frankfurt time) fixing in USD.

Since the methodology used to calculate the Benchmark Index is not based on direct investment in US Treasury notes but on indirect investment in US Treasury Notes through futures, the Sub-Fund's performance will be affected by the cost of 'rolling over' positions on these futures contracts.

Over time, this could significantly diminish the performance in comparison with the gross performance of the short positions on the underlying of the aforementioned futures contracts, particularly in the case of a long-term investment in the Sub-Fund's shares.

The Benchmark Index is calculated daily at the official CBOT 10-Year US T-Note futures fixing price at 5:30 pm (Frankfurt time).

The Benchmark Index is also calculated in real time every stock exchange trading day.

The Benchmark Index is available through Reuters and Bloomberg.

Publication of the Benchmark Index

The Benchmark Index is available via Reuters and Bloomberg.

Via Reuters: SGIXTYS1

Via Bloomberg: .SGIXTYS1

The Benchmark Index's closing price is available on the Internet at https://sgi.sgmarkets.com/fr/

Benchmark Index composition and revision

The composition of the Benchmark Index is revised quarterly.

A full description of the Benchmark Index and its construction methodology and information on its composition are available on the Internet at https://www.sgindex.fr/.

The rebalancing frequency as described above will have no impact in terms of costs in the context of the performance of the investment objective.

Investment Policy

The Sub-Fund will carry out its investment objective via an Indirect Replication as described in the present Prospectus.

For the avoidance of doubt, any collateral received by the Sub-Fund is posted outright on the account of the Sub-Fund open in the Depositary Bank's books. As such, collateral received will be recorded on the Sub-Fund assets. In case of counterparty default, the Sub-Fund can dispose of the assets received from the defaulting counterparty in order to extinguish the debt of this counterparty vis-a-vis the Sub-Fund under the guaranteed transaction

Efficient portfolio management techniques

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with the Appendix B of this Prospectus.

Classes of Shares

This Sub-Fund issues the following Classes of Shares: C-USD, D-USD, Monthly Hedged C-EUR, Monthly Hedged D-EUR, Monthly Hedged C-GBP, Monthly Hedged D-GBP, Monthly Hedged C-CHF, Monthly Hedged D-CHF (see hereafter chapter IV *INVESTING IN THE COMPANY A. THE SHARES).*

Investors' attention is drawn to the fact that this Sub-Fund is an UCITS ETF listed on several stock exchanges. For further information on the Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics.

The C-USD and D-USD Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the C-USD and D-USD Shares will be offered at the initial price of USD 50. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Benchmark Index is not available (these days not being Business Days). The minimum initial investment for the C-USD and D-USD Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-EUR and Monthly Hedged D-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-EUR and Monthly Hedged D-EUR Shares will be offered at the initial price of EUR 50. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Benchmark Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C-EUR and Monthly Hedged D-EUR

Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-GBP and Monthly Hedged D-GBP Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-GBP and Monthly Hedged D-GBP Shares will be offered at the initial price of GBP 50. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Benchmark Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C-GBP and Monthly Hedged D-GBP Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

The Monthly Hedged C-CHF and Monthly Hedged D-CHF Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Monthly Hedged C-CHF and Monthly Hedged D-CHF Shares will be offered at the initial price of CHF 50. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each day which is a Business Day except for the days where the Benchmark Index is not available (these days not being Business Days). The minimum initial investment for the Monthly Hedged C-CHF and Monthly Hedged D-CHF Shares is of EUR 100,000 or equivalent of EUR 100,000 in another currency. The minimum subsequent subscription is of one (1) Share.

Principal risks

Among the different risks described in *Appendix C – Special Risks Considerations and Risk Factors*, the Sub-Fund is more specifically exposed to the following risks: Credit Risk, Capital at Risk, Counterparty Risk, Low Diversification Risk, Risk of using financial derivative instruments, Currency Hedge Risk applicable to the Monthly Hedged share classes, Currency Risk, Interest Rate Risk, Liquidity Risk on Secondary Market, Sub-Fund Liquidity Risk, Risk that the Sub-Fund's investment objective is only partially achieved.

Other risks are:

Futures roll-over risk

Since the Benchmark Index is not based on direct investment in US Treasury Notes but on indirect investment in US Treasury Notes through futures contracts, maintaining this exposure requires that positions on these contracts be rolled over from one quarter to the next. This 'roll-over' involves transferring the position on a futures contract that is about to mature (and in any case before the contract expires) to a futures contract with a longer maturity. When futures contracts are rolled over investors may be exposed to a potential loss or gain. In some market configurations quarterly roll-over could systematically generate a loss and thus over time significantly diminish the Fund's performance in comparison with the performance of the short positions on the aforementioned futures contracts.

Daily leverage adjustment risk

Investors are inversely exposed to the daily changes affecting the price or level of the underlying. The daily reset of the Benchmark Index implies that for a period of more than one trading day (a "Period"), the total performance of the Benchmark Index may not be equal to inverse of the underlying's performance.

For example in scenario 1 below, if the underlying increases by 6% for one given day, then decreases by 5% the next day, after these 2 days, the underlying will have increased by 0.7% over the Period, whereas the Benchmark Index will have decreased by 1.3% (before deductible fees) over the same Period.

For example in scenario 2 below, if the underlying increases by 4% for one given day then increases by 10% the next day, the total increase of the underlying over the Period would be 14.4%, while the Benchmark Index will have decreased (before deductable fees) of -13.6% over the same Period.

For example in scenario 3 below, this mechanism could lead to a negative performance of the Benchmark Index of 0.1% over the Period, while the underlying is posting a negative performance of 2.1% over the same Period.

Scenario 1	Case where the underlying has a positive performance over a Period and the implied leverage is – in absolute – higher than (x-1)

	Underlying		Benchmark Index		
	performance day i	value day i	performance day i	value day i	Implied leverage
		100		100	
day 1	6%	106	-6%	94	x-1
day 2	-5%	100.7	5%	98.7	x-1
Period	0.7%		-1.3%		x-1.9

Scenario 2 Case where the underlying has a positive performance over a Period and the implied leverage is – in absolute – smaller than (x-1)

	Underlying		Benchmark Index		
	performance day i	value day i	performance day i	value day i	Implied leverage
		100		100	
Day 1	4%	104	-4%	96	x-1
Day 2	10%	114.4	-10%	86.4	x-1
Period	14.4%		-13.6%		x-0.94

Scenario 3 Case where the implied leverage is positive over the period

	Underlying		Benchmark Index		
	performance day i	value day i	performance day i	value day i	Implied leverage
		100		100	
Day 1	10%	110	-10%	90	x-1
Day 2	-11%	97.9	11%	99.9	x-1
Overall period	-2.1%		-0.1%		x0.05

Risk Management

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

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H – LONG/SHORT EQUITY STRATEGY

1 - Lyxor Index Fund – Crystal Europe Equity

The Reference Currency is EUR.

INVESTMENT OBJECTIVE

The investment objective of the Sub-Fund is to achieve capital growth (taking into account all fees and expenses attributable to the Sub-Fund) over a medium term period by taking long and short exposure mainly to European equity securities.

The Sub-Fund aims to typically deliver absolute returns in each year, although, an absolute return performance is not guaranteed and over the short-term it may experience periods of negative return and consequently the Sub-Fund may not achieve this objective.

INVESTMENT POLICY

To achieve the investment objective, the Investment Manager will implement an Investment Policy which consists primarily in having a flexible exposure to equity markets getting long and short exposures mainly to European equities likely to appreciate or to depreciate, respectively.

More specifically, the Sub-Fund will use a systematic asset allocation process to implement its investment strategy:

- The Sub-Fund will get long and short exposure to equities based on recommendations made by investment advisors (see section Investment Advisor below) ;
- Such recommendations will occur on a regular basis (typically, twice a month) ;
- The weight of each equity security in the allocation will be determined taking into account :
  - (i) The number of investment advisors having recommended such equity security;
  - (ii) The ranking given by the investment advisor to such equity security in its recommendation;
  - (iii) The internal and UCITS constraints.

The Sub-Fund will seek to achieve its investment objective through investments conducted and positions taken primarily, but not exclusively, in equity securities, cash instruments and through the use of financial derivatives instruments ("**FDI**").

Cash instruments include cash deposits with credit institutions, reverse repurchase agreements, short term investment grade government debt securities and money market funds (or funds providing returns linked to money market rates such as Lyxor Smart Cash) that are eligible for investment by a UCITS.

FDI include but not limited to, futures contracts, swaps (including equity swaps, hedging swaps and total return swap), contracts for difference, forward contracts within the limits set forth under the Sub-Fund investment general restrictions and for reasons such as generating efficiencies in gaining exposure to the constituents of the Portfolio.

The portfolio resulting from the allocation process (the "**Portfolio**") is expected to exhibit a moderate long bias, however, under exceptional market conditions the Investment Manager may decide to lower the Portfolio's beta to the equity market to a value close to 0.

The Sub-Fund could enter into any efficient portfolio management techniques in the interest of the Shareholders as described and in compliance with the Appendix B of this Prospectus.

Investment Manager

Lyxor Asset Management S.A.S (the "**Investment Manager**") has been appointed as investment manager of the Sub-Fund pursuant to an investment management agreement entered into with the Management Company and the Company (as may be amended from time to time).

The Investment Manager will be in charge of providing the Management Company with the Portfolio in compliance with the Investment Objective and the Investment Policy as set forth above. The Portfolio will be executed by the Management Company subject to the provisions of Section "*Management Company constraints*" below.

The Investment Manager has been incorporated on May 19, 1998 and has its registered office at 17, cours Valmy, Tours Société Générale, 92800 PUTEAUX (France) and has been duly authorised to act such as by the Autorité des Marchés Financiers.

Investment Advisors

Each investment advisor will recommend to the Investment Manager on a regular basis a selection of equities in accordance with the Investment Policy to achieve the Investment Objective. This selection will correspond to "best ideas" identified by the Investment Advisors and traded in their principal investment funds. Such recommendations shall consist of (a) a list of equities to get long exposure to and (b) a list of equities to get short exposure to, each list being ranked in accordance with the investment advisor's conviction strength.

The Investment Manager may, in its sole discretion, decide whether or not to implement such recommendations.

Each investment advisor will be appointed and remunerated by the Investment Manager pursuant to an investment advisory agreement.

Investor Profile

The Sub-Fund is suitable for investors who are willing to gain exposure to long short equity strategy. The investors must be able to accept moderate temporary losses, thus the Sub-Fund is appropriate for investors who can afford to set aside the invested capital for at least 3 years. The Sub-Fund is designed for the investment objective of building up capital over the medium term.

RISK MANAGEMENT

The global exposure determination methodology used for the risk monitoring of the Sub-Fund is the commitment approach.

Risk linked to the Sub-Fund

Please refer to the relevant sections under Appendix C – Special Risks considerations and risk factors above for the following risks:

- Capital at risk
- Risk that the Sub-Fund's investment objective is only partially achieved
- Equity risk
- Risk of using financial derivative instruments
- Counterparty risk
- Liquidity Risk
- Class Currency Risk
- Low Diversification Risk

The other risks to the Sub-Fund, not mentioned in the Appendix C are:

Risk of investments in Medium Cap Stocks
The Sub-Fund is exposed to medium-capitalization companies and more specifically to the equity securities of medium and intermediate sized enterprises, which may increase market and liquidity risks. The prices of these securities therefore increase and decrease more sharply than those of large-cap stocks. The Sub-Fund's net asset value could behave similarly and therefore fall more sharply than that of a similar investment in large-capitalization equities.

Risk of using of Leverage
The Sub-Fund may use leverage in its investment strategy. This leverage may take the form of loans for borrowed money (eg, margin loans) or derivative securities and instruments that are inherently leveraged, including options, futures, forward contracts, swaps and repurchase agreements. Leverage generates specific risks. It indeed amplifies both upside and downside movements of the underlying, hence increasing the Sub-Fund volatility. A high level of leverage implies that a moderate loss on one or more underlyings could lead to large capital losses for the Sub-Fund. Indeed, in case of a market downfall, the Sub-Fund might not be able to liquidate its assets fast enough to be able to face margin calls or

borrowing obligations. Also, in case of the use of derivatives, the collateral value being much lower than that of the underlying it gives exposure to, adverse market movements might give rise to losses far higher than the investment.

Finally, leverage leads to a proportional increase of Sub-Fund investment costs (especially replication and transaction costs). In extreme conditions, the Sub-Fund's assets might not be sufficient to pay the principal of, and interest on, the Sub-Fund's debt when due. In those circumstances, the Sub-Fund might lose its entire value.

Synthetic Short Selling
The Sub-Fund may engage in the short-selling of securities. Short-selling involves the sale of a security that the Sub-Fund does not own in the expectation of purchasing the same security (or a security exchangeable therefore) at a later date at a lower price. A short-sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short, which could result in an inability to cover the short position and a theoretically unlimited loss. There can be no assurance that securities necessary to cover a short position will be available for purchase.

Currency Risk related to the listing of the Sub-Fund or a Share Classes of the Sub-Fund
The Sub-Fund or one of its share classes may be listed on certain stock exchanges and/or multilateral trading facilities in a currency different from the Base Currency. Investors who purchase the Sub-Fund or one of its share classes in a currency different from the Base Currency are exposed to currency risk. As a result, due to exchange rate fluctuations, the value of an investment made in a currency different from the Base Currency could decrease while the net asset value of the Sub-Fund or one of its share classes increases.

Currency Hedge Risk
In order to hedge the currency risk, the Sub-Fund may use a hedging strategy which attempts to minimize the impact of changes in the foreign exchange rate between the base currency of the Sub-Fund and the currencies of the assets that the Sub-Fund is exposed to. However, the hedging strategy used by the Sub-Fund remains imperfect due to the rebalancing frequency and instruments used. The Net Asset Value of the Sub-Fund can then be impacted by Foreign Exchange market upwards and downwards. Moreover, the hedging cost can negatively impact the Net Asset Value of the Sub-Fund.

Risk of using systematic investment processes
The investment processes consist of systematic investment rules that reveal a risk that the Sub-Fund is not invested at any time in the most performing assets and consequently that the Sub-Fund's investment objective is not achieved. There is no assurance that the systematic investment process will outperform any alternative strategy including discretionary investment.

Risk of the Sub-Fund going to cash
On an exceptional and tempory basis, the Investment Manager may reduce the exposure of the Sub-Fund to equity market and potentially reduce such exposure to zero. In such case, the Sub-Fund will cease to be exposed to equity market and its performance might not be above the level of the EONIA.

Dependence on the Investment Manager and the Investment Advisors
The Investment Policy is highly dependent (notably with respect to its performance) upon the expertise and abilities of the Investment Manager as well as the Investment Advisors which have been appointed.
The Investment Advisors' recommendations are derived from proprietary discretionary trading strategies owned and operated by the Investment Advisors, which have been constructed on the basis of certain historically observed trends, correlations or assumptions, etc.. As market dynamics shift over time, a previously highly successful model may become outdated and it is possible that that fact will be not recognised before substantial losses have been incurred.

Lack of Operating History
The Sub-Fund is only recently established and therefore has a limited history for the purposes of evaluating its performance. Any back-testing or similar analysis performed by any person in respect of the Sub-Fund must be considered illustrative only and may be based on estimates or assumptions.

The Sub-Fund does not benefit from any implicit or explicit guarantee, neither from a swap counterparty (including Société Générale) nor from any entity acting as distributor of the Sub-Fund.

CLASSES OF SHARES

This Sub-Fund issues UCITS ETF C-EUR Share Classes, IE Shares, IU Shares and RE Shares (See C*hapter IV Investing in the Company A. The shares*).

Investor's attention is drawn to the fact that this Sub-Fund issues both UCITS ETF Classes of Shares listed on one or several stock exchange(s) and other UCITS Classes of Shares which are not listed. For further information on the UCITS ETF Classes of Shares or other UCITS Classes of Shares available for this Sub-Fund, investors should refer to the table entitled Appendix E - Summary Table of Shares issued by the Company detailing their characteristics.

The UCITS ETF C-EUR Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the UCITS ETF C-EUR Shares will be offered at the initial price of EUR 100.
Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each Business Day. The minimum initial investment for the UCITS ETF C-EUR Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share. The UCITS ETF C-EUR Shares are capitalizing.

IU, AU and RU shares will be hedged against EUR.

The IE Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the IE Shares will be offered at the initial price of EUR 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each Business Day. The minimum initial investment for the IE Shares is of EUR 100,000. The minimum subsequent subscription is of one (1) Share. The IE Shares are capitalizing.

The IU Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the Shares will be offered at the initial price of USD 1,000. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each Business Day. The minimum initial investment for the IU Shares is of USD 100,000. The minimum subsequent subscription is of one (1) Share. The IU Shares are capitalizing.

The AE Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the AE Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each Business Day. The minimum initial investment for the AE Shares is of EUR 10,000. The minimum subsequent subscription is of one (1) Share. The AE Shares are capitalizing.

The AU Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the AU Shares will be offered at the initial price of USD 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each Business Day. The minimum initial investment for the AU Shares is of USD 10,000. The minimum subsequent subscription is of one (1) Share. The AU Shares are capitalizing.

The AE-D Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the AE-D Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each Business Day. The minimum initial investment for the AE-D Shares is of EUR 10,000. The minimum subsequent subscription is of one (1) Share. The AE-D Shares are distributing.

The RE Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the RE Shares will be offered at the initial price of EUR 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each Business Day. The minimum initial investment for the RE Shares is of EUR 100. The minimum subsequent subscription is of one (1) Share. The RE Shares are capitalizing.

The RU Shares of the Sub-Fund are available for subscription. On the day of receipt of the first subscription orders, the RE Shares will be offered at the initial price of USD 100. Subsequent subscriptions will be dealt with the Net Asset Value per Share calculated each Business Day. The minimum initial investment for the RU Shares is of USD 100. The minimum subsequent subscription is of one (1) Share. The RU Shares are capitalizing.

The Subscriptions and redemptions in amount or in number of Shares will be accepted.
There is no minimum holding amount for any of the Shares classes.

Dividend Policy

The Sub-Fund pursues a policy of achieving capital growth, therefore, and according to the arrangements of *Chapter VII, Distribution Policy*, capital gains and other income of the Company will be capitalised and no dividends will generally be payable to Shareholders. Nevertheless, the general meeting of Shareholders may decide each year on proposals made by the Directors on this matter.

Management Fee

The Management Fee is paid to the Management Company out of the assets of the Sub-Fund. It will be calculated and accrued daily based on the daily Net Asset Value of the Shares and will be paid quarterly in arrears.

Performance Fee

There will be no Performance Fee

Other Fee and Expenses

Investment Management Fee

An Investment Management fee will be paid to the Investment Manager out of the assets of the Sub-Fund in relation to the services performed by the Investment Manager as specified in the Investment Management Agreement. The Investment Management Fee includes the Investment Advisory Fee payable by the Investment Manager to the Investment Advisors.

Operating Fee

Notwithstanding the provision of section "*Fees, Expenses and Taxation – Other Fees and Expenses"*, an operating fee (the "**Operating Fee**") may be paid to the Management Company in order to cover fees and expenses of the Depositary, the Paying Agent, the Administrative, Corporate and Domiciliary Agent, legal and audit fees as well as fees of other service providers. The Operating Fee is payable in arrears.

Such Operating Fee may also be paid directly by the Company to the Depositary, the Paying Agent, the Administrative, Corporate and Domiciliary Agent, the Registrar and Transfer Agent, the auditor and other service providers (including legal advisers) out of the assets of the Sub-Fund.

Share Class	Total Fees[1]	Max Management Fee	Max Investment Management Fee	Operating Fee
UCITS ETF C-EUR	Up to 1.00%	Up to 0.10%	Up to 0.90%	up to 0.40%
IE	Up to 1.00%	Up to 0.10%	Up to 0.90%	up to 0.40%
IU	Up to 1.00%	Up to 0.10%	Up to 0.90%	up to 0.40%
AE	Up to 1.75%	Up to 0.10%	Up to 0.90%	up to 0.40%
AU	Up to 1.75%	Up to 0.10%	Up to 0.90%	up to 0.40%
AE-D	Up to 1.75%	Up to 0.85%	Up to 0.90%	up to 0.40%
RE	Up to 2.00%	Up to 1.10%	Up to 0.90%	up to 0.40%
RU	Up to 2.00%	Up to 1.10%	Up to 0.90%	up to 0.40%

[1] Please note that the fee disclosed in the "Total Fees" column is a global cap which the "Max Management Fee", "Max Investment Management Fee" and "Operating Fee" taken altogether cannot exceed, regardless of the level of each fee taken separately.

Launch date

The Sub-Fund has been launched on January 16th, 2017.

ADDITIONAL INFORMATION FOR INVESTORS IN THE FEDERAL REPUBLIC OF GERMANY

1. Société Générale S.A. Frankfurt branch, Neue Mainzer Straβe 46-50 – 60311 Frankfurt am Main assumes the function of the German Paying- and Information Agent ("the German Paying and Information Agent") in the Federal Republic of Germany.

2. Redemption and exchange requests for the shares can be submitted at the German Paying- and Information Agent. Upon request, the redemption proceeds, distributions or other payments, if any, to the shareholder are paid in Euro via the German Paying- and Information Agent.

3. The current prospectus, the Key Investor Information Document (KIID), the Articles of Association of the Company as well as the semi-annual and annual report may be inspected at and can be received free of charge at the German Paying- and Information Agent by mail or by e-mail.

   Further shareholder information, if any, is available at the German Paying- and Information Agent and will be published on the website www.lyxoretf.de.

4. The net asset value per share of the share classes of the fund and the purchase, exchange and redemption prices are available at the German Paying- and Information Agent on every banking business day in Frankfurt. Furthermore, the purchase and redemption prices of the share classes of sub-funds together with the interim profit and the aggregate amount of income deemed to be received by the holder for the foreign investment units after 31 December 1993, are published on the website www.lyxoretf.de.

5. In addition to a publication on the website www.lyxoretf.de shareholders will be informed via shareholder letter about the following changes :

   - the suspension of redemption of the Sub-Fund's shares;
   - the termination of the management of a Sub-Fund or the liquidation thereof,
   - changes being made to the Memorandum and Articles of Association which are not in compliance with the existing investment principles or which affect material investor rights or which relate to fees and cost refunds that may be withdrawn from the Fund's assets;
   - the merger of the Fund; and, where applicable, the conversion of the Fund into a feeder fund

6. For a transparent and, thus, investor-favorable taxation of income of the Company in accordance with the German Investment Tax Act (Investmentsteuergesetz, InvStG) all bases of taxation within the meaning of Section 5 sub-section 1 InvStG must have been disclosed by the Company (so-called tax disclosure requirement). This also applies to the extent the Company has acquired units in other domestic investment funds and investment stock companies, EC investment units and foreign investment units, which do not qualify as EC investment units (target fund within the meaning of Section 10 InvStG) and they comply with the tax disclosure requirements.

   The Management Company endeavours to disclose all bases of taxation available to it. However, it cannot be guaranteed that the required notification will be made. The Management Company cannot guarantee, in particular, that the required disclosure is made, if the Management Company acquires target funds that do not comply with the tax disclosure requirements incumbent on them.

7. **The following sub-funds of the Company are not registered in Germany according to Section 310 of the German Capital Investment Code (Kapitalanlagegesetzbuch):**

   Lyxor Winton Europe Equity UCITS ETF
   Lyxor Winton Global Equity UCITS ETF
   Lyxor Winton US Equity UCITS ETF
   Lyxor $ Floating Rate Note UCITS ETF

   Shares of the above mentioned sub-fund are not allowed to be distributed in Germany.

The Management Company endeavours to disclose all bases of taxation available to it. However, it cannot be guaranteed that the required notificationwill be made. The Management Company cannot guarantee, in particular, that the required disclosure is made, if the Management Company acquires target funds that do not comply with the tax disclosure requirements incumbent on them.